

Human Resource Directorate WH.G.121 King Charles Street SW1A 2AH www.gov.uk/fco

20 July 2016

FREEDOM OF INFORMATION ACT 2000 - REQUEST REF: 0607-16

Thank you for your request dated 22 June 2016 under the Freedom of Information Act (FOIA). You asked that the Foreign and Commonwealth Office (FCO) should provide the following:

- 1. How much money (in pounds sterling) has been paid to diplomats through the diplomatic service compensation scheme over the past three years (up to and including June 2016).
- 2. Please could you break this information down by year and also break the information down by the country in which the diplomat was serving.
- 3. Please could you also provide a figure for the number of diplomats who have been in receipt of the allowance over the past three years. Again, please could this information be broken down year by year (up to and including June 2016) and by country in which the diplomat was serving.
- 4. Please could you provide a list of the countries in which diplomats are eligible to claim diplomatic service compensation and the amount/rate which they can claim for themselves and/or their partner.

If FOI requests of a similar nature have already been asked could you also please include your responses to those requests.

I can confirm that the FCO does hold some information relevant to your request. However we are withholding some data on Diplomatic Service Compensation Allowances (DSCA) under sections 12 and 43(2) of the FOIA.

Section 12 makes provision for public authorities to refuse requests for information where the cost of dealing with them would exceed the appropriate limit. The limit has been

specified in the Freedom of Information and Data Protection (Appropriate Limit and Fees) Regulations 2004. For central government the appropriate limit is set at £600. This represents the estimated cost of one or more persons spending 3 ½ working days in determining whether the Department holds the information, and locating, retrieving and extracting it. Your request as presently formulated is widely-framed and I estimate that it will take more than 3 ½ working days to locate, retrieve and extract this information as it would entail checking the records of each and every member of our diplomatic service.

Section 43(2) protects information which would be likely to prejudice the commercial interests of any person (including the public authority holding it).

The Hardship element of DSCA is calculated on behalf of the FCO by Employment Conditions Abroad (ECA), an independent company that provides similar services to other governments, non-government organisations and multi-national companies. Although we provided the DSCA Hardship tables for 2011 to 2014 in response to your Fol request of May 2014 (FOI REF: 0489-14), this was an error on our part as it breached commercial confidentiality of ECA data. Releasing the current rates could further compromise ECA's position in this specialist market.

The use of this exemption was carefully considered. The factors in favour of disclosure of this information, including the general public interest and greater transparency and accountability, were carefully weighed against the need to allow business-people and commercial organisations the space to conduct their lawful business competitively and without fear of disclosure of sensitive commercial information. We consider that this transparency also poses risks to the protection of commercially confidential information. Failure to protect such commercially sensitive information could limit the number of companies willing to provide their services to the FCO, reducing our ability to keep our costs down. In this case after such consideration we believe that the public interest in withholding the DSCA Hardship rates outweighs the public interest in releasing them.

Unfortunately we are unable to suggest any clear way in which you can refine your request to bring it below the relevant threshold and within the constraints of other exemptions under the FOIA. Where it has been possible to answer your request we have provided information below and in the attached annex.

The FCO pays staff allowances overseas to compensate for the requirement to spend periods of time living and working abroad during their careers, often in dangerous and challenging environments. A career made up of frequent relocations has an impact not just on the member of staff but on their families too. Families incur a range of costs including costs of living in alternative – sometimes hostile – environments; costs of maintaining

contact with family in the UK; costs of maintaining part of their life in the UK and part of their life abroad. Spouses/partners can find it very difficult to pursue a normal career with a resultant loss of income to the household.

As part of its commitment to continuously ensure value for money the FCO regularly reviews the allowances we pay to our staff at overseas Posts. In line with changes across the Civil Service, the FCO phased out many of its allowances to be replaced by a system of reimbursement of actual spend. As a result of changes introduced during 2011/12 the FCO is saving more than £8 million per year on allowances paid to staff.

The DSCA scheme consists of three separate elements:

- Diplomatic Service Allowance (DSA). Paid to Diplomatic service staff at all
 overseas Posts according to grade and family status to compensate for the range of
 additional costs that result from the career-long disruption caused by frequent
 changes of location, and any indirect representational expenses.
- Spouse/Partner Pension Compensation. Paid to Diplomatic Service staff in
 recognition of their contractual commitment to serve anywhere overseas. It recognises
 the impact this has on the spouse's ability to follow a career and to contribute to a UK
 pension scheme. Paid monthly to married accompanied staff or those accompanied
 by an established partner provided they meet the qualifying criteria.
- Hardship. Paid according to family status to staff at qualifying Posts to compensate for
 the additional costs of maintaining a quality of life. Based on a location ranking scoring
 system prepared by ECA International who gathers data from expatriate and
 independent sources on such factors as climate, pollution, health, isolation, security
 and social tension.

DSCA is paid as a single amount calculated on the DSA rate, Spouse/Partner Pension Compensation rate and, where applicable, the Hardship rate. We currently do not have the relevant data in order to calculate the amount spent on each element on an annual basis. As such, the annual amount of spend on DSCA reflects all three elements

For the purposes of this FoI request we have defined the term 'diplomat' to mean all officers on the FCO payroll, which includes staff from a number of other government departments working overseas on the FCO platform. In most instances those departments reimburse the FCO for the costs associated with their staff. Please note that UK Trade and Investment (UKTI) moved off the FCO payroll system from 1 April 2014 and UK Visas and Immigration (UKVI) from 1 April 2016. This is reflected in the figures below.

We refer you back to the FCO reply to you of 9 June 2014 (ref. 0489-14), attached for ease of reference, which provided data on DSCA costs for the 2013-14 financial year and DSCA rates for 2014 along with data from earlier years.

The total cost to the FCO budget for DSCA for the last two financial years and this financial year spend to date is as follows:

	FY 14-15	FY 15-16	FY 2016-17 up to 1 July 2016
DSCA	£23,892,250	£23,036,500	£5,170,632

The table below shows the number of diplomats potentially in receipt of these allowances over the same period¹.

Number of	FY 14-15	FY 15-16	FY 2016-17 up to 1 July 2016
Diplomats in receipt of DSCA	2502	2520	2048

Tables showing DSA and Spouse/Partner Pension Compensation rates for all overseas Posts, and a list of Posts eligible for DSCA Hardship allowance payments over the period 2015- 2016 are attached.

We are unable to provide the replies to previous similar FOI requests within the appropriate cost limit. However, you may be interested to know that we publish some of our replies on <u>our website</u>.

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¹ Figures include UK Based officers on the FCO payroll as of 31 March in each year.

Yours sincerely,

Knowledge Management Officer Human Resource Directorate

Annexes:

Annex A: DSA and Spouse/Partner Compensation rates 2015 and 2016. List of Posts eligible for DSCA Hardship payments.