

Gender Pay Gap Report 2020-2021



Contents

Introduction	4
What is Gender Pay Gap reporting?	
Definitions	6
Statement	6
FCDO headline figures	7
Gender pay and bonus pay gap—headline figures	7
Profile of the workforce	8
Mean and median ordinary pay gap data	10
Pay Quartiles	14
Bonus Pay	16
Explaining our gender pay gap	19
Closing the Gender Pay Gap	20
Further Information	22

Introduction

This Gender Pay Gap Report is the first for the Foreign, Commonwealth and Development Office (FCDO), which was formed by the merger on 2 September 2020 of the Department for International Development (DFID) and the Foreign and Commonwealth Office (FCO). The report contains data for all FCDO employees including employees from our Trading Fund (FCDO Services) and Executive Agency (Wilton Park), unless stated otherwise.

The creation of the FCDO was designed to align the UK's international efforts and maximise our influence as a global force for good. The FCDO promotes the interests of British citizens, safeguards the UK's security, defends our values, reduces poverty, and tackles global challenges with our international partners.

Our pay approach is designed to reward all of our staff regardless of gender for their contribution to the FCDO's, and the wider UK Government's, ambitions. Building a diverse and inclusive workforce that reflects the people we serve is one of our top workforce priorities.

The FCDO has made significant progress over the last year. Women now make up over 30% of all Heads of Missions and 42% of all senior civil servant roles are filled by women. Of our 26 top diplomatic missions 18 of those roles have been filled by women, including in Berlin, Tokyo and Paris. FCDO continues to be committed to reducing the gender pay gap and is taking action by setting new policies and systems and bringing together our diverse staff to forge a new culture.

This report contains data covering employees of legacy FCO, legacy DFID, FCDO Services and Wilton Park. FCDO Services, our Trading Fund, will produce its own gender pay gap report, covering its employees. Wilton Park, our Executive Agency, employs fewer than 250 employees so is not required to produce such a report. While this report contains data relating to these four groups, the analysis focuses on core FCDO employees (legacy DFID and legacy FCO).

The FCDO gender pay gap is influenced by a number of factors:

- » For this year we have retained the legacy FCO and DFID performance management and reward arrangements, which were different from each other. Legacy DFID paid most bonuses during the year, whilst FCO retained a focus on larger bonuses at year end.
- » The FCDO has a high proportion of women in junior roles, which attract lower bonus values, and FCDO Services employ a significantly higher proportion of male employees than female.
- » DFID had a much smaller workforce than the FCO, and so the proportions showing in earlier years for each Department can have a distortive effect on the data for the FCDO.
- » A higher proportion of part-time workers are female who receive pro-rata bonuses which impacts the data.

The increase in the gender bonus gaps are as a result of the factors listed above, rather than changes in the reward or bonus systems. A new reward system will be implemented for the FCDO in FY 22/23.

What is Gender Pay Gap reporting?

It is a statutory requirement for organisations with 250 or more employees to report annually on their gender pay gap. Government departments are covered by the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017, which came into force on 31 March 2017. These regulations underpin the Public Sector Equality Duty and require the relevant organisations to publish their gender pay gap data by 30 March annually. This includes the mean and median gender pay gaps; the mean and median gender bonus gaps; the proportion of men and women who received bonuses; and the proportions of male and female employees in each pay quartile.

The gender pay gap shows the difference in the average pay between all men and women in a workforce. If a workforce has a particularly high gender pay gap, the individual calculations can help to identify what action may contribute to closing the gender pay gap. This report is also in line with the recommendations made from the Inclusive Data Taskforce report published in September 2021.

The gender pay gap is different to equal pay. Equal pay deals with the pay differences between men and women who carry out the same jobs, similar jobs or work of equal value. It is unlawful to pay people unequally because they are a man or a woman.

Under Gender Pay Gap reporting, we are required to report on the difference between men and women who work in the FCDO in relation to:

- » mean hourly rate of pay
- » median hourly rate of pay
- » mean bonus paid
- » median bonus paid

The proportions of:

- » men and women who were paid a bonus
- » men and women in the 1st (lower) quartile, 2nd, 3rd, and 4th (upper) quartile pay bands

Definitions

The Regulations require information to be reported under the following definitions:

The mean is calculated by adding together all the values and dividing by the number of values. In this case, a mean average is calculated for men, a mean average is calculated for women, and the two mean averages are compared.

The median is calculated by sorting the values into an order from lowest to highest, and then finding the value that is in the middle of that sorted list. In this case, a median average is calculated for men, a median average is calculated for women, and the two median averages are compared.

The pay quartiles are based on hourly pay for all staff. They are sorted into order from lowest amount to highest amount. This ordered list is then split into four equal parts, known as quartiles. The lowest pay quartile contains the first quarter of the ordered list, i.e. the 25% of the list with the lowest hourly rates of pay. The upper quartile contains the 25% of staff whose hourly rates of pay are the highest. Quartiles are related to the median average, as the median average marks the point between the second and third quartile.

Please note that throughout the report, due to rounding, the total may not equate to an exact sum of the figures.

Statement

FCDO data has been calculated according to the requirements of the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017.

Salary and gender balance data used for this report is based on employee pay on 31 March 2021 and bonuses paid between 1 April 2020 and 31 March 2021.

This report includes data for all FCDO staff, including employees from our Trading Fund (FCDO Services) and Executive Agency (Wilton Park). In line with legislation, employees are defined as UK-based employees who are on FCDO payroll. The report does not include data for Country Based Staff (employees who are locally employed at Posts overseas) or contingent labour (the FCDO does not have any directly engaged non-employees).

¹ Bonuses awarded in between April 2020 and March 2021 to legacy FCO staff relate to performance in the 2019-20 appraisal period. Bonuses awarded to legacy DFID staff are paid in year and relate to the 2020-21 appraisal period.

FCDO headline figures

Dept	Mean GPG	Median GPG	Mean Bonus GPG	Median Bonus GPG
FCDO	6.7%	15.2%	13.9%	6.7%
FCDO Services	8.6%	20.1%	13.7%	12.0%
Wilton Park	0.6%	18.5%		
All employees	5.0%	9.8%	23.6%	25.4%

Gender pay and bonus pay gap—headline figures

Mean Ordinary Pay Gap data 2017-2021:

Dept	2017	2018	2019	2020	2021
FCO	10.6%	8.7%	8.3%	6.5%	
DFID	8.5%	6.9%	7.2%	5.9%	
FCDO					5%

Median Ordinary Pay Gap data 2017-2021:

Dept	2017	2018	2019	2020	2021
FCO	11.1%	8.2%	10.1%	8.6%	
DFID	6.8%	9.1%	8.4%	5.6%	
FCDO					9.8%

Mean Bonus Pay Gap data 2017-2021:

Dept	2017	2018	2019	2020	2021
FCO	16.2%	14.6%	9.4%	13.9%	
DFID	6.9%	0.5%	3.0%	4.0%	
FCDO					23.6%

Median Bonus Pay Gap data 2017-2021:

Dept	2017	2018	2019	2020	2021
FCO	5.5%	6.2%	0.0%	10.6%	
DFID	0.0%	0.0%	0.0%	0.0%	
FCDO					25.4%

Profile of the workforce

As of 31 March 2021, women made up 52% of the FCDO's workforce (Figure 1), compared with 54% in the wider Civil Service. There has been marginal improvement in the gender composition over previous years (Figure 2). The gender profile in the FCDO's Senior Civil Service is 42% women and 58% men (Figure 3). There was greater representation of women in senior grades in legacy DFID than in legacy FCO (Figures 4 and 5).

Figure 1: Gender profile of the workforce (excluding FCDO Services and Wilton Park)

Men	Women
48.23%	51.77%

Figure 2: Gender balance 2017-2021 (excluding FCDO Services and Wilton Park)

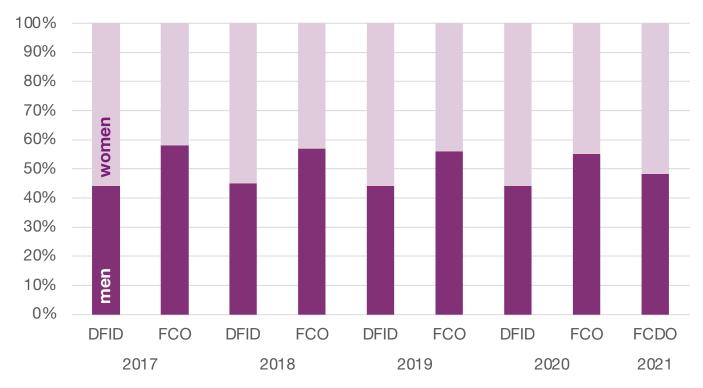
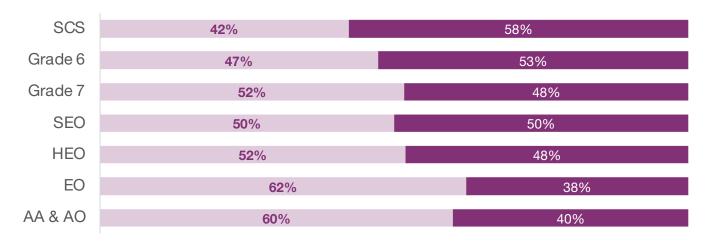


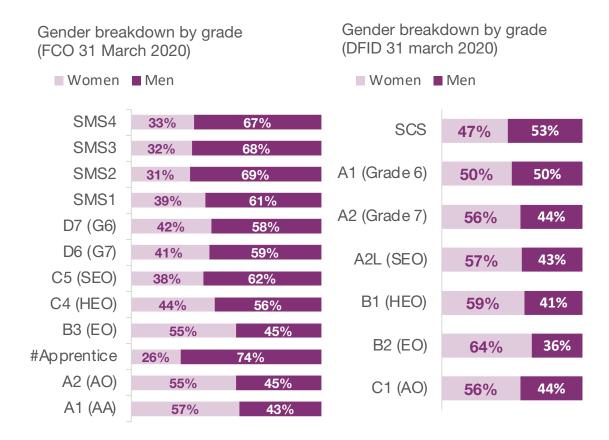
Figure 3: Gender breakdown by grade (excluding FCDO Services and Wilton Park)²





² The grade nomenclature of the FCDO can be found at the end of the report.

Figure 4 & 5: Gender breakdown by grade (legacy organisations, including FCDO Services and Wilton Park)



Mean and median ordinary pay gap data

'Ordinary pay' is defined as any monetary payment such as basic pay, allowances, pay for piecework, pay for leave, and shift premium pay. It does not include overtime pay, redundancy pay, pay related to termination of employment, any repayments of authorised expenses, benefits in kind or interest-free loans. 'Mean' refers to the average calculated central value, while 'median' refers to the midpoint value.

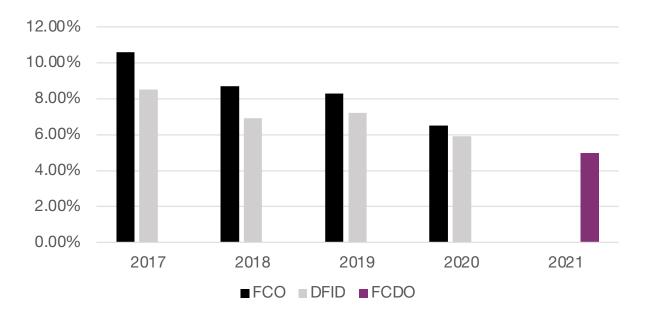
Mean gender pay gap

The mean gender pay gap is the difference between the mean 'ordinary pay' for female and male employees.

The mean hourly pay for men in the FCDO is 5.0% higher than the mean hourly pay for women (Figure 6).

Figure 6: Mean ordinary gender pay gap

Dept	2017	2018	2019	2020	2021
FCO	10.60%	8.70%	8.30%	6.50%	
DFID	8.50%	6.90%	7.20%	5.90%	
FCDO					5.00%



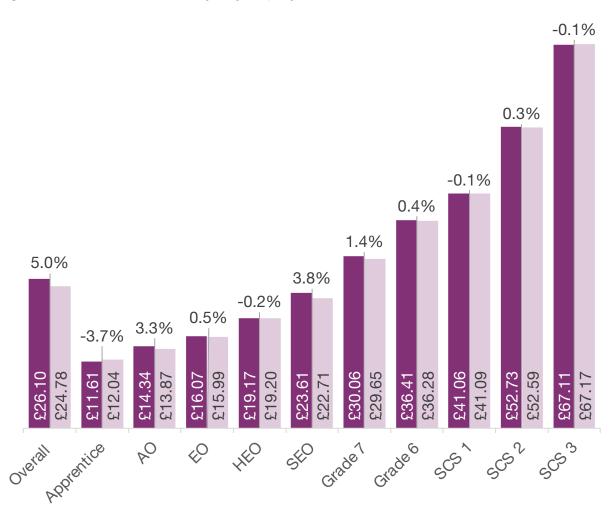


Figure 7: FCDO Mean Ordinary Pay Gap by Grade

■ Mean Hourly Rate of Pay Male ■ Mean Hourly Rate of Pay Female

Percentages at grades AA and SCS4 have been suppressed due to small numbers. The data here for apprentices refers exclusively to FCDO Services where bonuses are awarded differently. FCDO apprentices are included in the data for their equivalent grade

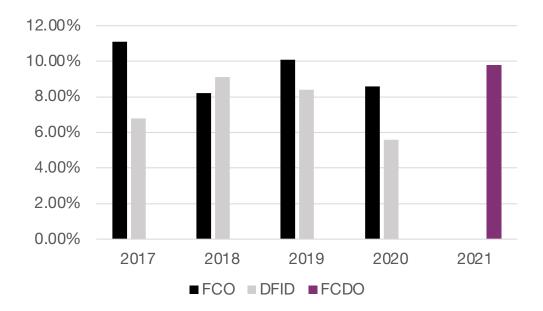
The mean ordinary gender pay gap is 5.0% but the gender pay gap at each individual grade is lower (Figure 7). The mean gender pay gap when broken down by grade range ranges from -3.7% (Apprentices) to 3.88% (SEO). Where the pay gap figure is negative, the pay gap is in favour of women.

Median gender pay gap

The median hourly pay for men in the FCDO is 9.8% higher than the median hourly pay for women (Figure 8).

Figure 8: Median ordinary gender pay gap

Dept	2017	2018	2019	2020	2021
FCO	11.10%	8.20%	10.10%	8.60%	
DFID	6.80%	9.10%	8.40%	5.60%	
FCDO					9.80%



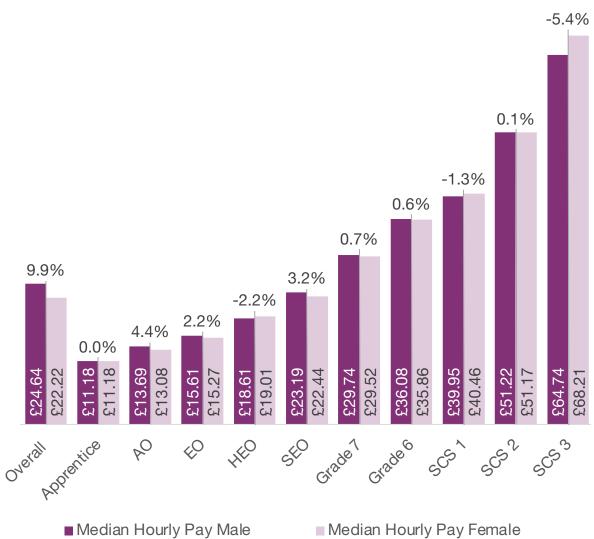


Figure 9: Median Ordinary Pay Gap by Grade

Percentages at grades AA and SCS4 have been suppressed due to small numbers. The data here for apprentices refers exclusively to FCDO Services where bonuses are awarded differently. FCDO apprentices are included in the data for their equivalent grade

The median ordinary pay gap is 9.8% but, the gender pay gap at each individual grade is lower (Figure 9). The median pay gap ranges from -5.4% (SCS3) to 4.4% (AO). At SCS3 (-5.4%), SCS1 (-1.3%) and HEO (-2.2%), the median ordinary pay gap is in favour of women.

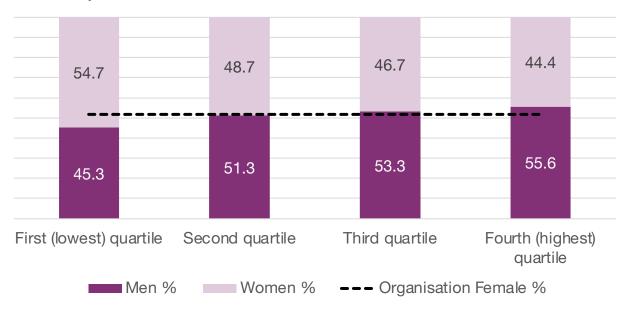
Pay Quartiles

In the FCDO, 54.7% of employees in the lowest pay quartile are women, compared with 44.4% of employees in the top pay quartile (Figure 10).

Figure 10: Pay quartiles

	FCO 2020	DFID 2020	FCDO 2021
% women in first (lowest) quartile	52.4%	60.9%	54.7%
% women in second quartile	45.4%	58.5%	48.7%
% women in third quartile	38.3%	55.3%	46.7%
% women in fourth (highest) quartile	40.8%	50.7%	44.4%





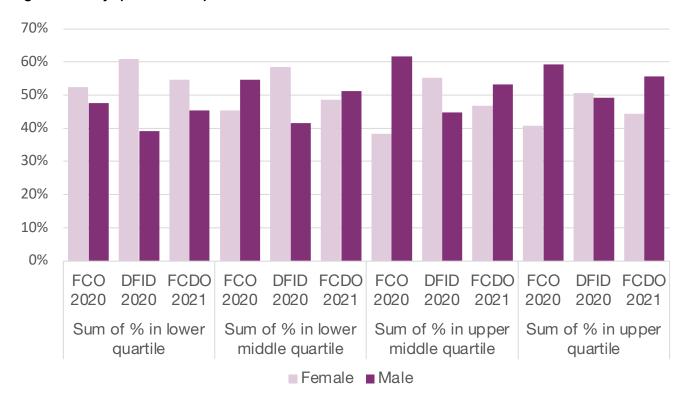


Figure 11: Pay quartile comparisons

The gender split across pay quartiles (Figure 11) mirrors the gender breakdown by grade (Figure 3), with proportionally fewer women in the top two pay quartiles and more women in the lowest pay quartile.

Bonus Pay

'Bonuses' are defined as any rewards related to profit-sharing, productivity, performance, incentive and commission. The rewards can be made in cash, vouchers, securities, securities options and interests in securities.

As of 31 March 2021, the FCDO had a mean bonus pay gap of 23.6% and a median bonus pay gap of 25.4%.3

Mean Bonus Pay Gap

The mean gender pay gap for bonuses shows the difference between the mean 'bonus pay' for female and male employees.

The FCDO's mean bonus pay for men is 23.6% higher than the mean bonus pay for women (Figure 12).

Figure 12: Mean bonus gender pay gap

Dept	2017	2018	2019	2020	2021
FCO	16.2%	14.6%	9.4%	13.9%	
DFID	6.9%	0.5%	3.0%	4.0%	
FCDO					23.6%

Median Bonus Pay Gap

The median gender pay gap data for bonuses shows the difference between the median 'bonus pay' for female and male employees.

The FCDO's median bonus pay for men is 25.4% higher than the median bonus pay for women (Figure 13).

Figure 13: Median bonus gender pay gap

Dept	2017	2018	2019	2020	2021
FCO	5.5%	6.2%	0.0%	10.6%	
DFID	0.0%	0.0%	0.0%	0.0%	
FCDO					25.4%

³ Bonuses awarded in between April 2020 and March 2021 to legacy FCO staff relate to performance in the 2019-20 appraisal period. Bonuses awarded to legacy DFID staff are paid in year and relate to the 2020-21 appraisal period.

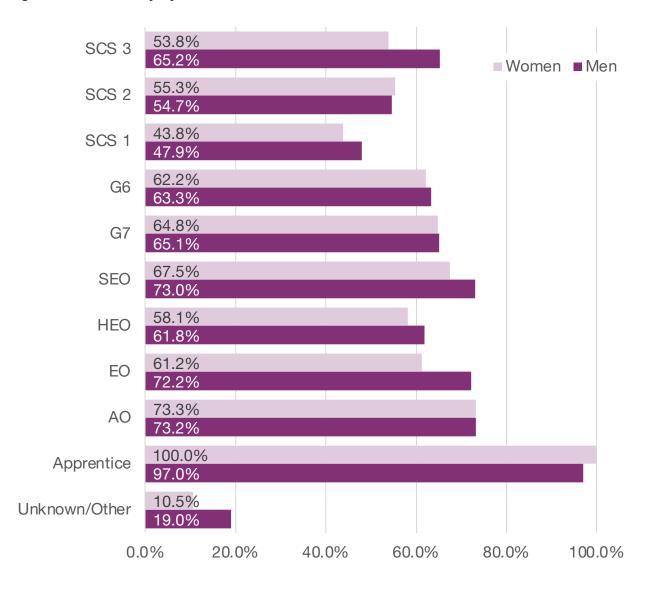
Proportions of male and female employees paid a bonus

Over the 12-month period, from March 2020 to March 2021, 61.4% of women received a bonus payment, while 64.9% of men received one (Figure 14).

Figure 14: Proportion of male and female employees paid a bonus

	FCO 2020	DFID 2020	FCDO 2021
% men receiving a bonus	39.9%	69.9%	64.9%
% women receiving a bonus	34.4%	68.3%	61.4%
Difference between % of men and	5.5	1.6	3.5
women receiving bonuses (% points)			

Figure 15: Bonus Pay by Gender and Grade*



Percentages at grades AA and SCS4 have been suppressed due to small numbers. The data here for apprentices refers exclusively to FCDO Services where bonuses are awarded differently. FCDO apprentices are included in the data for their equivalent grade

With the exception of AO and SCS2, a higher proportion of men received a bonus at other grades (Figure 15).

Figure 16: Percentage awarded bonus by grade



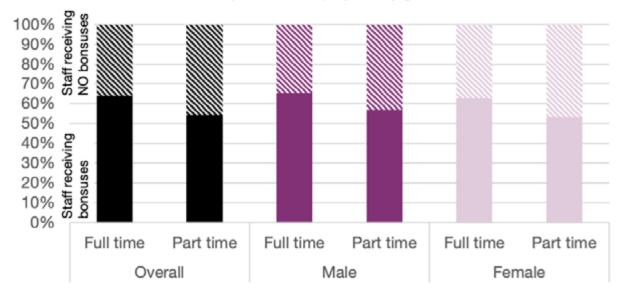
Percentages at grades AA and SCS4 have been suppressed due to small numbers. The data here for apprentices refers exclusively to FCDO Services where bonuses are awarded differently. FCDO apprentices are included in the data for their equivalent grade

With the exception of the AO and EO grades, men consistently receive a larger proportion of bonuses than women (Figure 16). As there are more men in the higher grades, more men are receiving bonuses.

Figure 17: Part-time staff receiving bonuses

	Overall	Male	Female
% Full time staff receiving bonuses	64%	65%	63%
% Part time staff receiving bonuses	54%	57%	53%

Bonuses awarded to full and part time employees by gender



FCDO workforce data shows that 74.1% of part-time workers are women. Fewer bonuses are awarded to part-time workers than full-time staff, with a lower proportion of female part-time workers receiving bonuses than their male part-time counterparts (Figure 17).

Explaining our gender pay gap

The FCDO gender pay gap (including with respect to bonuses) is influenced by a number of contributing factors, including:

Different pay, reward and allowance policies

The FCDO currently operates several different pay structures and policies, due to the merger. The bonuses for legacy FCO and FCO Services staff are end-year bonuses and relate to the 2019-20 appraisal period. Additionally, legacy FCO Services operate a flat rate corporate bonus for satisfactory performance of staff. Bonuses awarded to legacy DFID staff are paid in-year, are generally for smaller amounts, and relate to the 2020-21 appraisal period.

Female representation

The FCDO has a high proportion of women in junior roles, which attract lower bonus values. Conversely, there are a higher proportion of men in higher salary grades, where bonus values are greater. In addition to female representation at the senior grades (SCS and Grade 6) being at a lower proportion than the overall proportion of women in the FCDO, a lower proportion of women at senior grades were awarded bonuses than their male counterparts (Figure 17).

For FCDO employees who are from legacy FCO, the process for awarding bonuses is such that bonuses at junior grades are significantly less than the bonus amount awarded at senior grades. Therefore, given the gender balance at junior and senior grades, this approach has the effect of increasing the bonus gap in favour of men overall.

FCDO Services employ a significantly higher proportion of male employees than female, especially in their technical roles. These roles have higher starting salaries than their equivalent non-technical grades. The composition of FCDO Services therefore contributes not only to its own gender pay gap, but also to that of the FCDO overall.

Predominance of women in part-time roles

A higher proportion of female employees work part-time and fewer bonuses were awarded to part-time workers. Bonuses awarded to legacy FCO staff in the FCDO are paid at year-end and are paid pro-rata according to part-time hours worked, which means that lower value 'end year' bonus are awarded to part-time employees. Bonuses awarded to legacy DFID staff are paid in-year and are not paid pro-rata according to part-time hours worked. For any future legacy FCO bonuses we will not pro-rata in the way that we have done historically.

Closing the Gender Pay Gap

The FCDO is committed to closing the gender pay gap. Our gender pay gap is, in part, a reflection of the current structure of the FCDO workforce, with proportionately more men than women at senior grades, and proportionately more women than men at junior grades. A key objective of the new department is to reduce the gap between the grade distributions of men and women and ensure that our aligned policies both support and promote great gender equity. More broadly, the FCDO is committed to widening representation for under-represented groups, including women, and building an inclusive workplace to attract, engage, develop and retain talented, diverse staff.

Terms and Conditions Alignment

The department is working to align its pay, reward and allowances offer to staff across its legacy workforces to enable the FCDO to be even more agile and capable, retaining one of the largest overseas diplomatic networks and with a workforce which meets the diplomacy and development challenges of the modern world. We will ensure proposals to align across the package have a positive impact and our future work on gender pay gap reporting is central to this work. This will include:

- » Reviewing and implementing an aligned approach to pay and set of pay policies; and
- » Evaluating the in-year and end of year bonus schemes to align processes.

New approach to Performance Management and Reward

The department is designing, and will implement, a new performance management and reward approach for all FCDO staff in the delegated grades (Figure 18). Based on the experience of other organisations, we expect this will contribute to a reduction in the gender bonus gap.

Supporting diverse talent

Supporting talent from all backgrounds is a priority for the FCDO. The FCDO is committed to making the most of the diversity of all its staff and enabling everyone to feel valued for who they are and what they bring to the organisation. The FCDO provides targeted developmental opportunities to level the playing field where there is evidence of under-representation within the protected groups, including women.

We aim to continue developing diversity and the progression of women to SCS within the pipeline by:

- » Ensuring that inclusion is at the forefront of future talent processes for the FCDO and continuing to evaluate these processes yearly;
- » Continuing to encourage and support a fully diverse and inclusive FCDO participation in CS Talent Schemes;
- » Monitoring and tracking the impact of schemes on delivering diverse and inclusive outcomes in terms of career progression.

By developing a more diverse pipeline into the SCS, and increasing female representation in senior roles, this should help to reduce the gender pay and bonus gap.

Recruitment

We aim to recruit a talented and diverse workforce which reflects the society we serve. Our recruitment approach recognises the need to minimise the barriers to women progressing and developing in their careers. We have also implemented a range of positive actions including a focus on diversity in an advertising setting, workforce ambitions, anonymised recruitment and diverse selection panels. We also offer flexible working arrangements as a default in job adverts. Hiring managers need to justify any opt out from offering a range of flexible working options.

FCDO's Staff Networks

FCDO has 13 staff networks which continue to play a vital role in delivering inclusion for all our employees. The value of the networks is recognised in the FCDO and we encourage those who play key roles in networks to include this as part of their performance objectives. The FCDO Board consults with staff networks to understand and address issues faced by different groups of staff. As part of this collaboration, Board-level Champions provide staff networks with coaching, strategic direction and senior advocacy. Among the Board-level Champions are ones for inclusion and belonging, and for tackling BHD.

Further Information

Figure 18: FCDO grading nomenclature

Groups	FCDO grade	FCO grade	DFID grade
Senior Civil Service	SCS 1-4	Senior Management Structure (SMS 1-4)	Senior Civil Service (SCS)
Delegated grades	Grade 6	D7	A1
	Grade 7	D6	A2
	Senior Executive Officer	C5	A2 (L)
	Higher Executive Officer	C4	B1
	Executive Officer	B3	B2
	Administrative Officer	A2	C1
	Administrative Assistant	A1	C2

