



Foreign, Commonwealth
& Development Office

2023 Gender Pay Gap Report

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Executive Summary

The Foreign, Commonwealth and Development Office (FCDO) has prepared this report as part of the legal requirement for public authorities to publish their gender pay gap on an annual basis.

The FCDO continues to see a Gender Pay Gap although we have made positive progress in increasing representation of women at the most senior grades. Since the formation of the FCDO representation of women in the Senior Civil Service (SCS) has increased by 1.8 percentage points, over the same time the Gender Pay Gap (GPG) has reduced by 1 percentage point showing a direct correlation.

Since 2022 there has been the following changes in the FCDO's GPG:

- The mean GPG has decreased from 4.7% to 4.0%.
- The median GPG has decreased from 9.1% to 8.7%.
- The mean bonus GPG has decreased from 20.3% to 16.0%.
- The median bonus GPG has increased from 22.2% to 22.9%.

Although we should not take false comfort from the comparison the FCDO continues to compare favourably with the overall mean GPG for the Civil Service (8.1% in 2023). We also compare favourably with the mean bonus GPG for the Civil Service (23.5% in 2023), and the median bonus GPG (25.4% in 2023).

Efforts to increase representation of women in senior roles as well as the alignment and shortening of pay scales have been the main causes of reduction in the FCDO's mean ordinary pay gap over the last year (decreased by 0.7 percentage points). Analysis of the 2023 mean ordinary pay gap continues to show that lower representation of women at higher paid senior grades remains the main contributing factor. A higher proportion of women also work part time.

The reduction in the mean bonus gap follows alignment of our performance and development approach in the FCDO. This has meant that we have a consistent approach to performance management and related bonus pay. The proportion of staff who were paid a bonus in the FCDO is amongst the lowest across the Civil Service. Fewer bonuses were paid in 2023 compared to 2022 and 45.5% of men received bonus pay compared to 40.5% of women. Performance related bonus pay is paid pro-rata, therefore as greater numbers of women work part time this is a driver in the bonus pay gap.

This report outlines actions we are taking in the FCDO to continue to reduce the GPG, including an action plan on SCS Women, work on talent and capability and continued alignment of HR policies.

1. Introduction

In 2017, the Government introduced legislation that made it statutory 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 underpin the Public Sector Equality Duty and require relevant organisations to publish their gender pay gap annually by 30 March. 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 men and women in each pay quartile.

This report fulfils the department's reporting requirements, analyses the figures in more detail, sets out our progress to date and what we are doing to close the gender pay gap in our organisation. The reporting period is 1 April 2022 to 31 March 2023.

Organisational context

This is our third Gender Pay Gap report as the FCDO. The alignment of terms and conditions and HR policies continues and is one of the most important tools for us to close the Gender Pay Gap. Over the last reporting year there have been changes to our Performance and Development system, we have established new aligned pay scales and a new approach to talent will help us identify and nurture Women to help increase representation in senior grades.

The FCDO is governed by the [Civil Service Diversity and Inclusion Strategy 2022-25](#), which focusses on attracting talent from all backgrounds, investing in our people capabilities and driving a performance culture that delivers improved outcomes for our citizens. The FCDO aims to create a workplace where employees from various backgrounds feel valued, respected and empowered.

The FCDO uses an outcome-focussed and data-driven approach to diversity and inclusion. This directs focus on key priorities and targets interventions on building an inclusive work culture. We are bound by Public Sector Equality Duty to eliminate unlawful discrimination, advance equality of opportunity; and foster good relations between those who share a protected characteristic and those who do not. Greater transparency and accountability is key to enable organisations to demonstrate their commitment to equality, attracting talent and boosting staff engagement.

Our vision is for the FCDO to be a truly inclusive organisation, which:

- treats everyone fairly, respectfully and with kindness and allows everyone to speak up when this doesn't happen;
- provides a supportive working environment where our people can thrive;

- values people from all backgrounds, perspectives, and ways of thinking, fostering inclusion at all levels;
- leverages difference to increase innovation and enhance productivity.

The FCDO aspires to represent the country we serve, as such we aim for our workforce to match the UK Economically Active Population (50% women). A key tool to help us address the gender pay gap will be to increase levels of women in the senior civil Service. As of 31 March 2023 women comprise 51.3% of the organisation, however at SCS (Senior Civil Servants) women only comprise 43.4%.

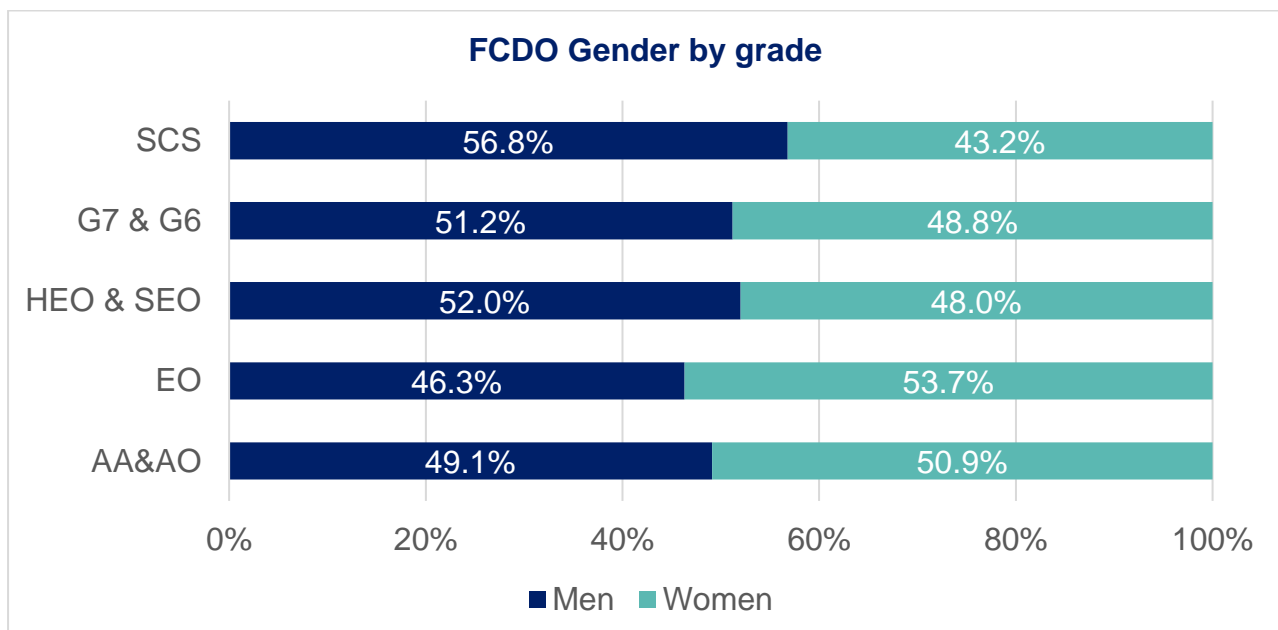
This report includes data for all FCDO staff, including employees from our Trading Fund (FCDO Services) and Executive Agency (Wilton Park). In line with statutory requirements, this report includes staff defined as UK-based employees who are on FCDO payroll. The report does not include data for Country Based Staff (employees who are locally employed at Posts overseas).

Figure 1: FCDO Gender split by organisation

Organisation	Men	Women
FCDO (excluding agencies)	48.7%	51.3%
FCDO Services	70.6%	29.4%
Wilton Park	25.9%	74.1%
All staff	51.2%	48.8%

Most of the FCDO’s employees are below SCS level. There is a higher proportion of women in junior grades and this generally decreases as seniority rises. The table below shows the distribution of men and women across the grades at 31 March 2023.

Figure 2: FCDO Gender split by grade



2. Gender Pay Gap Report

The Gender Pay Gap (GPG) refers to the difference in average earnings between men and women in the workforce. For example, a GPG of 5% would indicate that the average hourly earnings of women are 5% lower than their male counterparts. This could mean for each £1 earned by a man, the average women’s earning would amount to 95p. If a workforce has a particularly high gender pay gap, this can indicate that there may be a number of issues to deal with.

The GPG is different to equal pay, which refers to men and women receiving equal pay for performing the same or similar work. It is unlawful to pay people unequally because they are a man or a woman.

The data shown in this report has been calculated according to the requirements of the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017.

Figure 3: 2023 FCDO Gender Pay Gap Headline Figures

Reporting Organisation	Mean Pay Gap	Median Pay Gap	Mean Bonus Gap	Median Bonus Gap
FCDO (excluding agencies)	4.9%	11.6%	12.5%	10.0%
FCDO Services	7.4%	18.1%	4.6%	3.3%
Wilton Park	21.5%	6.4%	-	-
All staff	4.0%	8.7%	16.0%	22.9%

Figure 4: Gender distribution through each pay quartile

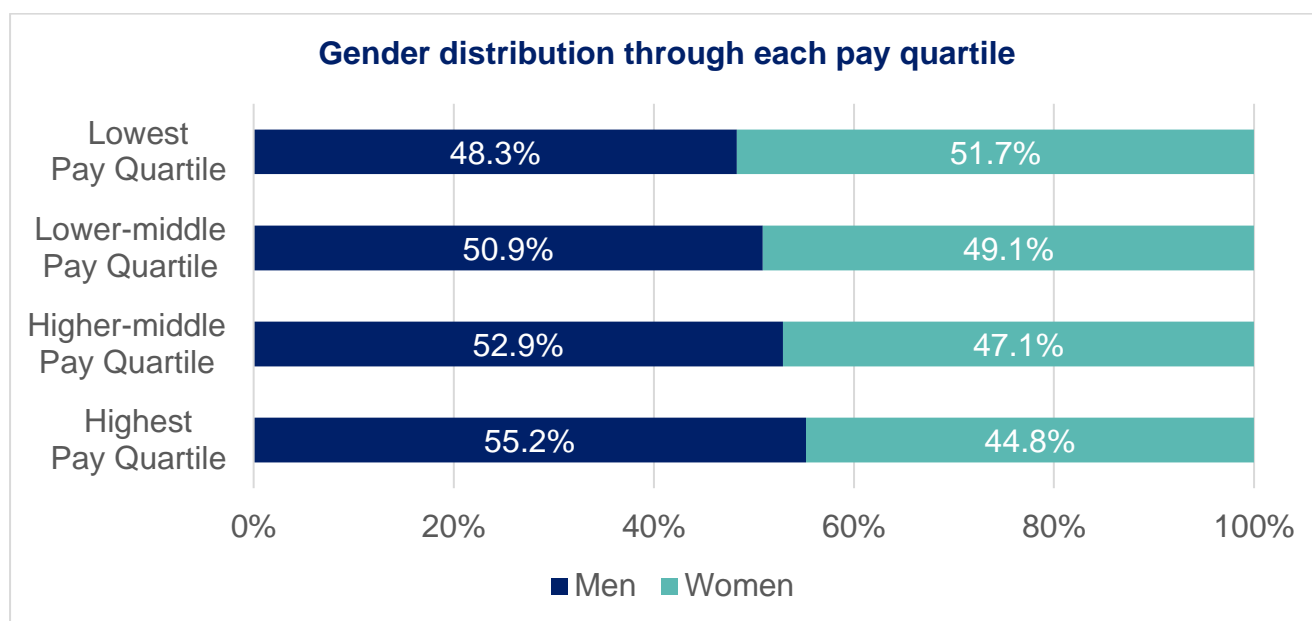
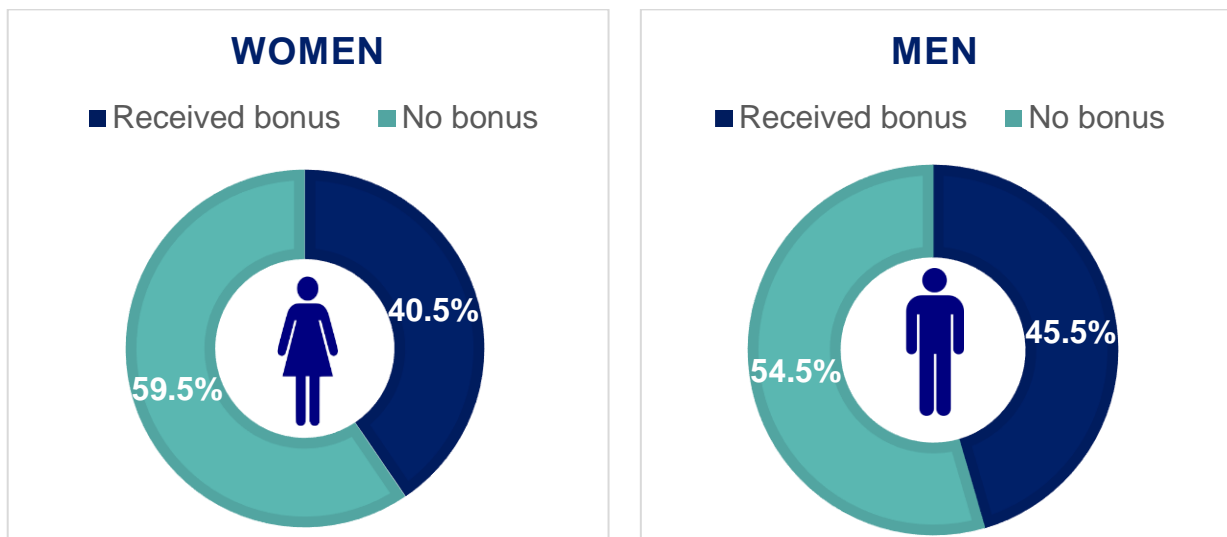


Figure 5: Proportion of staff receiving a bonus in 2023



3. Analysis of pay gap

The rules governing SCS pay are determined within the SCS Pay Practitioners Guidance which is set by the Cabinet Office. For other grades, decisions around pay are delegated to departments, within the rules of the Civil Service Pay Remit Guidance, which is published annually.

Since the formation of the Foreign, Commonwealth and Development Office in September 2020 work has been underway to align terms and conditions and all HR policies from our legacy departments (Department for International Development and Foreign & Commonwealth Office), many of which would have an impact on the Gender Pay Gap.

The FCDO mean pay gap has reduced from 4.7% to 4.0%. This represents a decrease of 0.7 percentage points from 2022. The median pay gap has also seen a reduction to 8.7%, which represents a reduction of 0.4 percentage points from 2022.

Figure 6: Gender Pay Gap trends since the formation of the FCDO

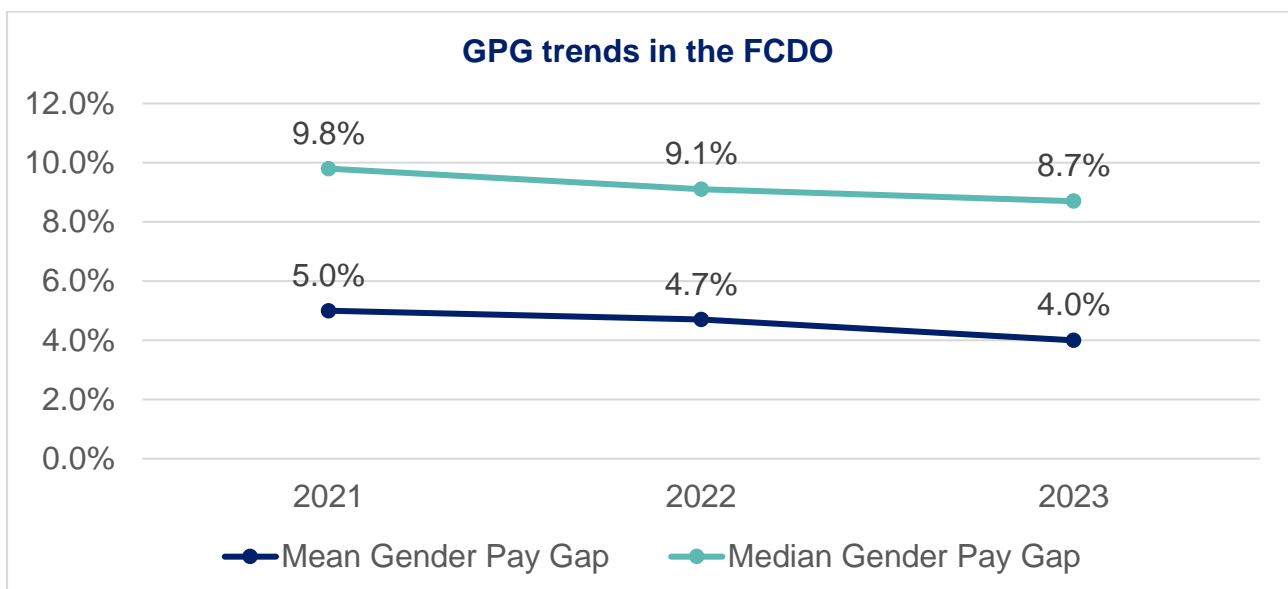


Figure 7: Breakdown of Gender Pay Gap by reporting organisation

Reporting Organisation	Mean 2021	Mean 2022	Mean 2023	Median 2021	Median 2022	Median 2023
FCDO (excluding agencies)	6.7%	6.4%	4.9%	15.2%	12.4%	11.6%
FCDO Services	8.6%	6.0%	7.4%	20.1%	15.4%	18.1%
Wilton Park	0.6%	-10.2%	21.5%	18.5%	-1.0%	6.4%

The FCDO Gender Pay Gap continues to be driven by a gender imbalance across the grades. As shown in the introduction, representation of women decreases as the grades increase in seniority. This is also represented in the distribution of women in the pay

quartiles. To address the Gender Pay Gap our efforts are focused on increasing representation of women in the senior grades.

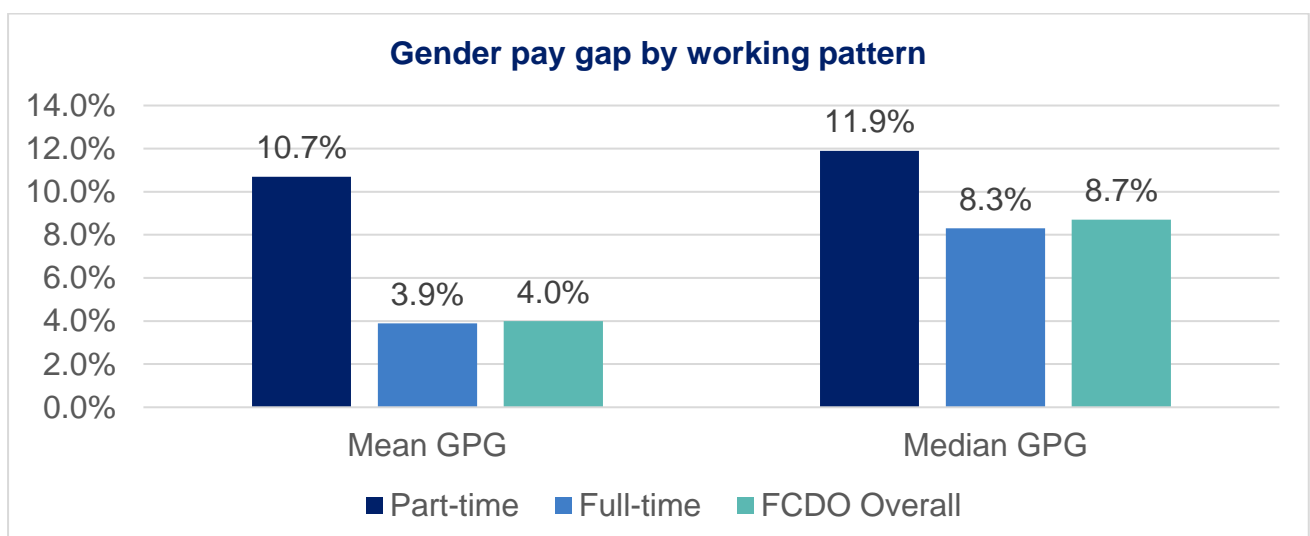
The 2022 FCDO pay award created a single, aligned FCDO pay scale and started the process of aligning location allowances. In particular, the new FCDO pay scale removes the distinction between National and London ranges. The new FCDO pay range support reducing some of the differences between the old legacy pay scales. New appointments to the FCDO will be made on this new pay scale.

Figure 8: New FCDO Pay scale (increasing seniority)

Grade	Minimum	Maximum
AO	£23,948	
EO	£25,029	£28,684
HEO	£31,621	£38,595
SEO	£39,449	£46,000
Grade 7	£49,955	£60,087
Grade 6	£61,285	£71,878
SCS pay band 1	£73,000	£117,800
SCS pay band 2	£95,000	£162,500
SCS pay band 3	£125,000	£208,100

The Gender Pay Gap is higher for FCDO staff who are working part time. This is due to women – who have a lower average hourly rate in the FCDO - making up a larger share of our part time staff (76.2% women, 23.8% men). It is unlikely that this gender split will change significantly over time and increased flexibility in working patterns can help increase representation of women in senior roles. We will continue to monitor the impact of part time working on the Gender Pay Gap.

Figure 9: Gender pay gap by working pattern



4. Analysis of the bonus gap

A new approach to Performance and Development was launched in the FCDO in 2022, replacing the legacy performance approaches. The purpose of Performance and Development is to ensure that everyone performs at their best, realises their full potential and contributes positively to the FCDO’s objectives to help deliver our organisational mission and purpose. Performance is affected by an individual’s motivation, capability, sense of inclusion and their line manager’s ability to understand an employee’s strengths, maximise their contribution and support their development.

Over the last reporting year, the FCDO mean bonus gap has reduced from 20.3% to 16.0%. This represents a decrease of 4.3 percentage points from 2022. This continues a downward trend since formation of the FCDO. The median pay gap has seen a slight increase to 22.9%, which represents an increase of 0.7 percentage points from 2022.

Figure 10: FCDO Gender Pay Gap for Bonus Pay

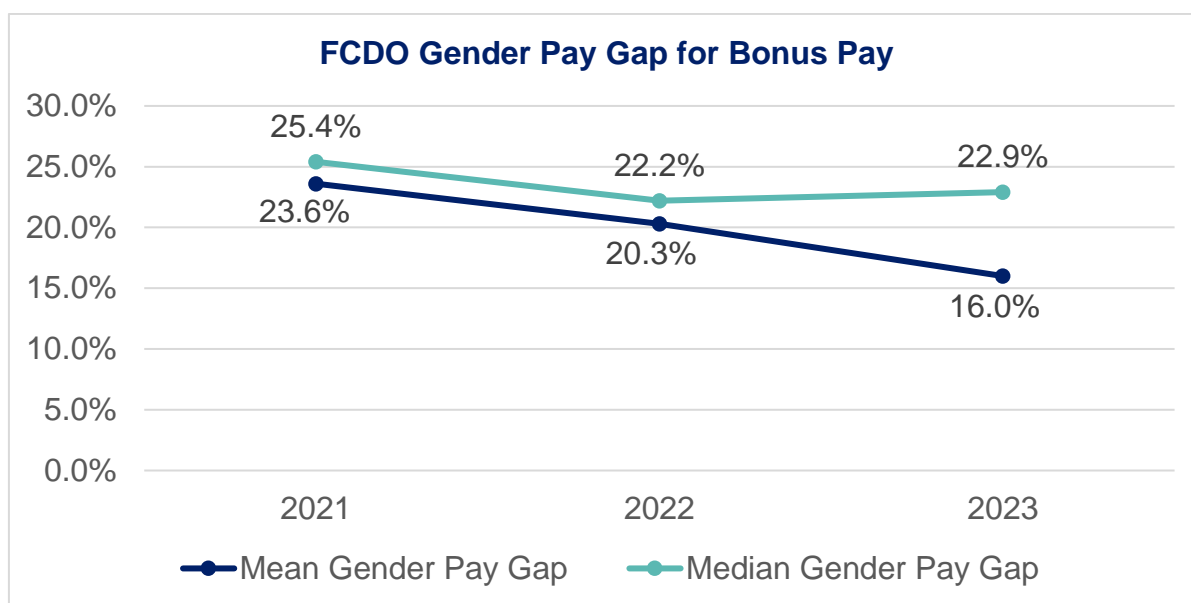


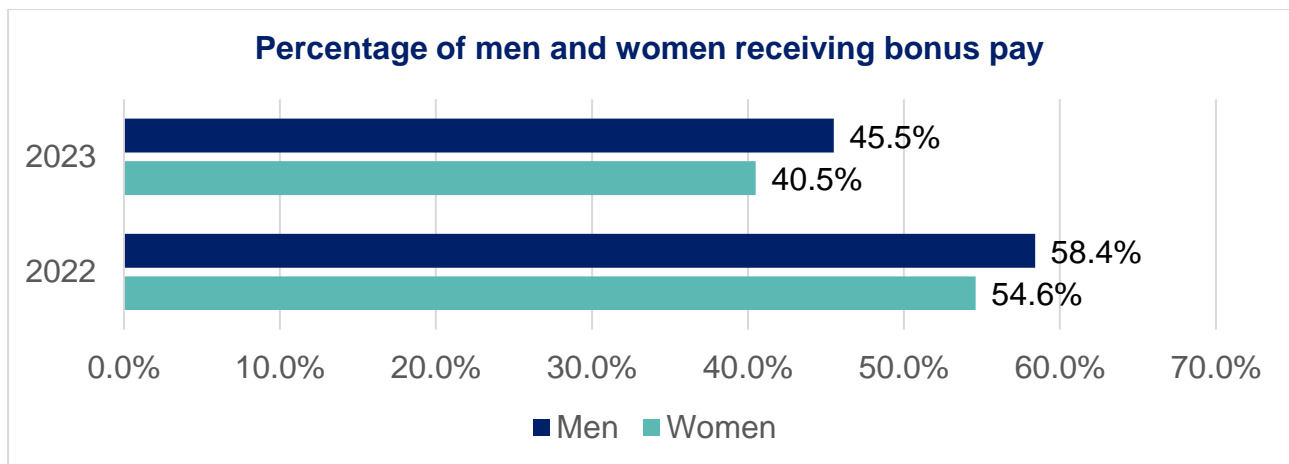
Figure 11: Breakdown of Gender Bonus Gap by reporting organisation

Reporting Organisation	Mean 2021	Mean 2022	Mean 2023	Median 2021	Median 2022	Median 2023
FCDO (excluding agencies)	13.9%	12.9%	12.5%	6.7%	6.7%	10.0%
FCDO Services	13.7%	5.9%	4.6%	12.0%	1.9%	3.3%
Wilton Park ¹	No data	No data	No data	No data	No data	No data

¹ Bonus data for Wilton Park is suppressed due to low numbers of staff

Fewer staff in the FCDO received bonus pay in 2023 compared to 2022. In 2023 40.5% of women received bonus pay, 14.1 percentage points less than in 2022. In 2023 45.5% of men received bonus pay, 12.9 percentage points less than the year before. The proportion of staff receiving bonuses in the FCDO is one of the lowest across Whitehall; in the Civil Service as a whole 62.3% men received bonus pay and 68.4% of women.

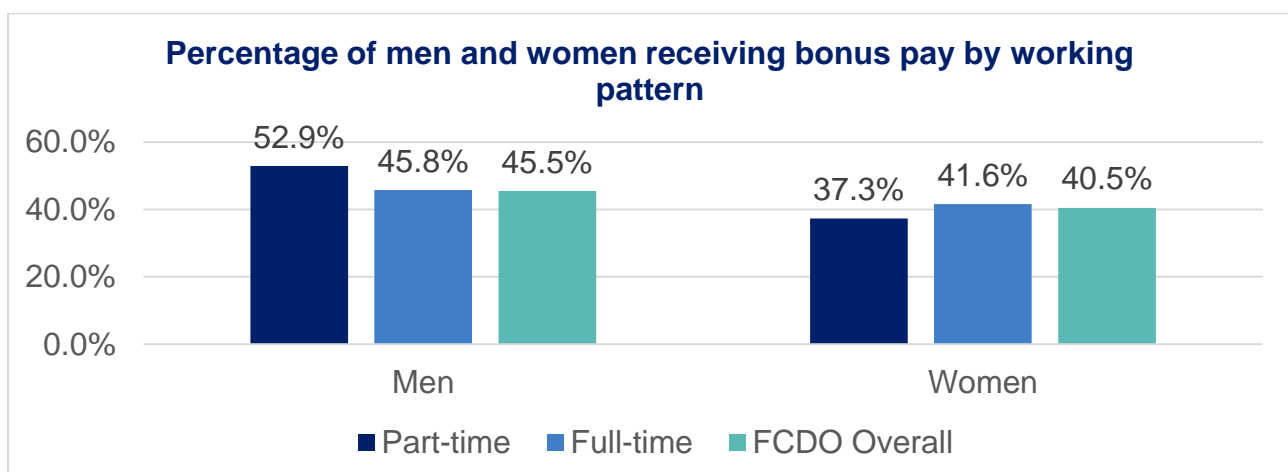
Figure 12: Percentage of men and women receiving bonus pay



This reporting year was the last year bonus payments were made under the legacy performance pay structures. A new performance management system was introduced for FY 2022/23, with a new and consistent approach to performance management and related performance pay, which will be reflected in next year’s GPG report.

As with the Gender Pay Gap, there is a larger gap in bonus pay for part time staff too. Performance pay is paid pro-rata, therefore while there is a gender imbalance in part time workers there will also be an imbalance in bonus pay. In 2023 women in the FCDO who worked part time were less likely to receive bonus pay than men who worked part time. We will explore this over the coming year with an aim to reduce this difference.

Figure 13: Percentage of men and women receiving bonus pay by working pattern



5. Targeted action to reduce and close the Gender Pay Gap

The FCDO is committed to closing the Gender Pay Gap. Since the last Gender Pay Gap report there has been a range of progress in aligning HR policies from our legacy departments, and the FCDO has agreed an action plan focussed on increasing the rates of women in the SCS. These actions will contribute to closing the gender pay gap and will continue throughout the coming years.

SCS Women Action Plan

Understanding the barriers to progression for women and improving the representation of women in senior roles remains one of the FCDO's key areas of focus for 2023. To achieve these goals, several objectives have been outlined including:

- setting a credible trajectory to achieve 50% SCS women by 2025/26;
- tackling current barriers to progression and retention of SCS women, including in business areas of lowest representation and modelling senior flexible working such as job shares; and
- encouraging active sponsorship of women preparing for SCS and those already in the SCS to ensure retention.

Terms and Conditions Alignment

Work on aligning our terms and conditions, policies and pay structures continues in order to offer a consistent approach across legacy workforces. As an employer, we want to be a leader with forward-looking policies and terms and conditions that enable our delivery and reflect our dynamic global environment. Our employment offer must be attractive to staff and provide good value for money for the taxpayer. The right policies and allowances must also support our operating model and help us deliver our strategic priorities. Our upcoming reward strategy will seek to improve progression through the ranges, shorten pay ranges and align allowances. All of which should, over time, improve gender pay gaps.

Performance and Development

A new approach to Performance and Development was launched in the FCDO in 2022, replacing the legacy performance approaches. The new approach maintains the objectives of legacy systems to support delivery of organisational objectives, ensuring everyone understands what is expected of them and how their role contributes to wider objectives. There is a strong emphasis on development to ensure that we have the skills, capabilities and experience we need to deliver in the longer term. The new approach emphasises regular, good quality conversations between Line Managers and individuals throughout the year to recognise achievements and successes and to support development in a more timely way supported by simple process.

Talent and Capability

The FCDO has launched a new approach to identify talented staff in Grades 6 and 7 who are likely to be ready for promotion into the SCS within the next five years. This will enable the FCDO to provide targeted leadership development offers and give corporate oversight on the capability, skills and demographics of those preparing to compete for SCS roles. This will empower and support staff to manage their careers. There is proportionate representation of women identified through this approach which should help us meet our aspirations of increasing representation of women in the SCS. Alongside this the FCDO is developing a new Capability Framework to understand the existing capabilities within our workforce and invest in the capability it will need to respond to future global challenges.

Dignity and Respect

The FCDO is fully committed to ensuring a safe and inclusive work environment for all. In line with Civil Service Policy, the FCDO has a zero-tolerance approach to any form of bullying, harassment or discrimination (BHD). The FCDO is taking an evidence led approach; analysis of 2022 People Survey data showed that women reported experiencing higher rates BHD than men. In 2022 the FCDO launched a Dignity and Respect at Work policy to help build a positive working environment, understanding of what constitutes bullying, harassment and discrimination and raise awareness of how to report and address concerns. Everyone in the FCDO has the right to be treated with dignity and respect and to work in an environment free from BHD, including sexual harassment. The policy sets out expected behaviours of Civil Servants in line with the Civil Service Code. Implementation and effectiveness of this work will be reviewed by the Management Board.

Staff Networks

The FCDO's Staff Networks are a valuable asset. They provide a strong community of support to their members and lift up the experiences of their members from a diverse range of groups to ensure senior leaders and HR hear their voice. Strong employee voice helps ensure FCDO's people policies and systems are informed by insights on how different groups of staff are affected and where solutions can be found for challenges. This year the FCDO agreed the Staff Networks Partnership Principles to ensure our policies and operations are informed by employee insights alongside quantitative and qualitative HR data managed by HR Directorate.

6. Declaration

I confirm that data reported by the Foreign, Commonwealth and Development office is accurate and has been calculated according to the requirements and methodology set out in the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017.

Corin Robertson
Director General, Finance & Corporate