5 February 2019

Dearest Tom,

FCO CORPORATE UPDATE FOR OCTOBER TO DECEMBER 2018

I start with our diplomatic network. Since I last wrote on 31 October, the Foreign Secretary has announced the future opening of new Missions in Djibouti and to the Association of Southeast Asian Nations in Jakarta, as well as a new Embassy to the Maldives announced on 4 December. These new Missions, in addition to eleven new diplomatic Posts previously announced, will extend our diplomatic reach and impact, through a network of sovereign missions in 161 countries, more than any other European country. These new missions will all be small and agile. In addition to expanding our network of overseas Posts, initiatives under Global Britain uplift, combined with increases for EU Exit and the Government’s Africa Strategy, will increase our network by over 1000 new positions by the end of 2020. This will include an increase in the number of overseas roles for UK based officials of almost a quarter compared to January 2018.

The FCO’s Staff Survey results were released in November. The overall picture is encouraging. Of the 15 departments with 6000 or more staff in the Survey we have the highest Engagement Index score (72%), and are eighth out of the 111 organisations overall that participated in the 2018 Civil Service People Survey. The FCO scores above the Civil Service Average (CSA) for eight of the nine Survey themes, including 14% above the CSA for Leadership and Managing Change (up 2% on 2017) and 7% more than the CSA for Learning and Development.

Although there is much to take heart in, our Bullying, Harassment and Discrimination (BHD) scores remain unacceptably high, at 13% (no change on last year) for Bullying or Harassment and 15% for Discrimination (down 1% on 2017). In 2018 we undertook a range of initiatives to tackle BHD, including targeted intervention at overseas Posts and home Departments with higher BHD scores, implementing new Learning and Development programmes in support of managers and staff. We need to do more and will increase our support to staff in 2019.
Another area of continuing deep concern remains Pay and Benefits, where we scored only 29%, down 1% on 2017 and 2% lower than the CSA (see below).

As with previous updates, I highlight other developments under each pillar of our Diplomacy 20:20 change programme: Expertise and Agility, supported by a world-class Platform:

**Expertise**

Following a pilot in the autumn with 759 staff and foreign diplomats, the *Diplomatic Academy* recently launched a new six-week online course, “Diplomacy in the 21st Century”. This makes the FCO the first UK Government Department to offer an internally created “Massive Open Online Course”. The course is publicly available on the Open University-owned FutureLearn platform. After one week, 7,500 participants from 170 countries had registered. The course’s principal aim is to allow FCO and HMG staff engaged on international issues to reflect on the latest developments in diplomacy, including digital diplomacy, women and gender in diplomacy, diplomatic theory and tradecraft.

The FCO’s foreign language skills continue their upward trend. 58% of all officers and 76% of Heads of Mission in speaker slots now have a target level examination pass. Our target remains 80% of all officers reaching their target level by end 2020.

**Agility**

We have made good progress deploying resources to bolster FCO operations around the globe under our Global Britain and EU Exit programmes. We have appointed, subject to the agreement of the host Governments, Heads of Mission to six of the new overseas Posts. We have also made appointments to 50 new roles as a part of the Africa Strategy, with a further 80 to be advertised over the coming months. In parallel we have recruited a total of 400 new officers since August 2018 to fill London roles, including to free up experienced staff to be deployed overseas. Of these new recruits, 250 are already in their roles with the remaining 150 due to join by April 2019.

As I highlighted in my letter of 23 October, last autumn the FCO launched jointly with the Department for International Trade a sexual harassment survey, completed anonymously by colleagues. The aim was to understand whether we had a gap in our knowledge about colleagues who had reported sexual harassment or who had experienced it without reporting it, and to determine if our processes were working effectively. The survey closed on 30 November and we are now analysing the data. I will report on the findings in my next update.

Following HM Treasury and Cabinet Office approval of our pay flexibility case for UK-based delegated grade colleagues, we have introduced a new pay structure closer to those of other Government Departments. The 2018 pay settlement for these colleagues was implemented at the end of November. We have already agreed
further improvements to the pay structure to apply from August 2019. In November we also implemented the pay award for Senior Management Structure/Senior Civil Service staff. As our Staff Survey results confirm, however, pay remains a significant concern for FCO staff, both UK-based and Local, and there is more work to do.

**World Class Platform**

The *Tech Overhaul* Programme is due to complete on time in March 2019 and forecast to be on budget. Almost all users (over 20,000) have now been migrated to the Office 365 Cloud. This and our Work Smarter programme are changing how FCO staff use their technology. The Staff Survey showed that 70% felt they had the IT tools to do their job, up 19% on 2017. We are on track to deploy Rosa, the new cross Government Secret IT platform, to the bulk of our overseas network by the end of the Financial Year. Plans are also well advanced to migrate data to the new platform and de-commission legacy systems. Rosa will greatly improve cross-Departmental working at Secret level.

We continue to drive forward our *Estates* programme. The money raised from the Bangkok Embassy sale will be fully committed by 2020 on a range of capital projects, including major ones in Washington and Paris, as well as smaller posts, such as Yerevan and Ulaanbaatar. The Washington Embassy rebuilding project remains on track. We are planning to tender the work in March and to start on site by summer 2019 in the Offices and early 2020 for the Residence. The project aims to be complete by the end of 2021. £40m from the Bangkok sale is being spent over four years on essential maintenance around the global estate. We will pursue a longer-term solution on maintenance in the next Spending Review. The historic low level of spend on maintenance is a significant contributing factor to many of the necessary major investment projects we face now, including Paris and Washington.

Work to set up our new overseas Posts continues. We have identified properties in several locations, and hope to co-locate with New Zealand in Tonga and Vanuatu. We are also preparing the estate in Africa to accommodate the uplift announced by the Prime Minister in August 2018. We have mobilised the new contract for Facilities Management (FM) services in the UK and North West Europe and are considering re-provision options in Asia-Pacific.

There have been a number of overseas *security developments* since I last wrote. One of the most high profile was the November 2018 attack on G4S, our security provider, in Kabul. This resulted in the tragic deaths of a number of their staff including one UK national. There was however limited impact on British Embassy Kabul's operations and security. The opening up of the Green Zone in Baghdad by the Iraqi government has, so far, had limited effect on Embassy security and operations there.

*Yours ever,*

Simon McDonald