The National Audit Office scrutinises public spending on behalf of Parliament. The Comptroller and Auditor General, Sir John Bourn, is an Officer of the House of Commons. He is the head of the National Audit Office, which employs some 850 staff. He, and the National Audit Office, are totally independent of Government. He certifies the accounts of all Government departments and a wide range of other public sector bodies; and he has statutory authority to report to Parliament on the economy, efficiency and effectiveness with which departments and other bodies have used their resources. Our work saves the taxpayer millions of pounds every year. At least £8 for every £1 spent running the Office.
Diversity Annual Report
2006-07
This report can be found on the National Audit Office web site at www.nao.org.uk

For further information about the National Audit Office please contact:
National Audit Office
Press Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP
Tel: 020 7798 7400
Email: enquiries@nao.gsi.gov.uk
© National Audit Office 2007
## CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>INTRODUCTION BY THE C&amp;AG</td>
<td>4</td>
</tr>
<tr>
<td>KEY DIVERSITY FACTS</td>
<td>5</td>
</tr>
<tr>
<td>PART ONE</td>
<td>6</td>
</tr>
<tr>
<td>Who we are</td>
<td></td>
</tr>
<tr>
<td>PART TWO</td>
<td>8</td>
</tr>
<tr>
<td>Our diversity policies</td>
<td></td>
</tr>
<tr>
<td>PART THREE</td>
<td>11</td>
</tr>
<tr>
<td>Our performance on diversity</td>
<td></td>
</tr>
<tr>
<td>PART FOUR</td>
<td>18</td>
</tr>
<tr>
<td>How we are involving the whole Office in Diversity</td>
<td></td>
</tr>
<tr>
<td>PART FIVE</td>
<td>19</td>
</tr>
<tr>
<td>Our future strategy</td>
<td></td>
</tr>
<tr>
<td>ANNEXES</td>
<td></td>
</tr>
<tr>
<td>A Diversity statistics by gender</td>
<td>20</td>
</tr>
<tr>
<td>B Diversity statistics by ethnicity</td>
<td>24</td>
</tr>
<tr>
<td>C Diversity statistics by age</td>
<td>28</td>
</tr>
</tbody>
</table>
I am pleased to introduce the Diversity Annual Report for 2006-07. The National Audit Office recognises the benefits of having a diverse workforce and sees this as a strategic business issue. Diversity is not just about physical differences, it is also about a person’s background, experience and diversity of thought.

The National Audit Office values people as employees, customers and clients. We have been focusing more energy on creating a diverse workforce which values all individuals so they can reach their full potential and in turn help towards delivering and meeting key business priorities. Much of this report is about how diversity is a key element of our internal management. However, issues of diversity and equality are also important in the government programmes we evaluate in our value for money work. For example, our study of Progress in tackling pensioner poverty: encouraging take-up of entitlements highlighted the need to develop local initiatives to reach those who are not claiming benefits to which they are entitled and proposed the creation of a wider target to tackle pensioner poverty. The study also looked at take-up of disabled entitlements such as attendance allowance, disability living allowance and carer’s allowance.

During 2006-07 we produced a report entitled The Provision of Out-of-Hours Care in England in the NHS. The NAO worked with MORI to survey the public and ascertain their views and experiences of out-of-hours services. The study design allowed the NAO to comment on the usage of a diverse population and showed that out-of-hours care was more common amongst some groups than others. A further report Ministry of Defence Recruitment and Retention in the Armed Forces used diversity data held by the Ministry of Defence to analyse its performance against a series of diversity targets.

The report looked at how the Ministry of Defence needs to recruit, train, motivate and retain a diverse range of military personnel to provide the military capability needed to meet the Government’s strategic objectives. The NAO aims to continue to reflect the diversity of the community we serve and further integrate diversity issues into each of our key outputs.

Sir John Bourn
Comptroller and Auditor General
Key diversity facts

We have seen an increase in the proportion of female senior managers (Directors and above) from 26 per cent in 2005-06 to 30 per cent in 2006-07.

We completed a Disability Monitoring Exercise in 2006 which has improved the accuracy of our data and confirmed that 6.2 per cent of staff had a declared disability compared to only 1.7 per cent using previous data.

Representation of ethnic minority staff at senior management levels has increased from three per cent last year to over four per cent in 2006-07.

138 staff were promoted during 2006-07 which includes an equal number of men and women. The success rate of ethnic minority staff applying for promotion increased to 73 per cent for 2006-07 and is equal to the application success rate for white staff. In addition, we have increased the number of ethnic minorities promoted to the Manager and Director grades.

We hold ethnicity data on 98 per cent of our staff, up from 93 per cent last year.

Our annual equal pay audit showed that there were no significant differences related to gender, ethnicity or age within individual pay bands. The average full time salary of women in the NAO is now 87 per cent of the average for men.
Our role
The National Audit Office (NAO) is headed by the Comptroller and Auditor General (the C&AG), Sir John Bourn. We are the principal state audit body of the United Kingdom. The C&AG is an officer of the House of Commons and reports directly to Parliament.

The C&AG has two key roles. Under statute he is responsible for the financial audit of the accounts of all Government departments and agencies. But he also provides Parliament with 60 value for money reports into the economy, efficiency and effectiveness of government programmes. The NAO also has several international clients, such as the World Food Programme, International Labour Organisation and the Pan American Health Organisation, which were won in open competition against other bodies. Our Annual Report provides more information at http://www.nao.gov.uk.

Our people
We employ around 900 people which includes staff on maternity leave, career break, and secondment. It also includes around 10 per cent of our staff who work part-time. Our financial audit staff are either qualified professional accountants or students with one of the professional accountancy bodies. Entrants to our graduate training scheme study for the Institute of Chartered Accountants in England and Wales’ (ICAEW) qualification. We also support around 13 other staff to train with other accountancy institutes such as the Association of Chartered Certified Accountants (ACCA) and the Association of Accounting Technicians (AAT).

In our value for money work we use multi-disciplinary teams. These often comprise a range of skills, including economists, social scientists, accountants and statisticians, as well as specialists in particular sectors.

Since 1998, NAO experts have provided Technical Assistance in audit and non-audit disciplines to the staff of State Audit Institutions (SAI) in countries throughout Europe, Africa and Asia. We are working on a total of 32 projects across 25 countries including a four year programme to provide technical assistance and support to the Ghanaian Audit Service. Furthermore, we are now supporting the new audit bureau for Iraq.

Our audit staff are supported by around 200 specialist staff. Many of these hold professional qualifications from bodies such as the Chartered Institute of Personnel and Development, the Chartered Institute of Purchasing and Supply, and The Library Association.

As well as drawing on this rich range of expertise, we have around 25 staff on secondment to national and international bodies at any one time. This provides our staff with hands-on experience of delivering public services and working in other organisations in a diverse range of sectors. For some, it is an opportunity to assist national audit institutions in developing countries where they benefit from working in a different cultural environment. We also use a wide range of external consultants and other experts, to ensure that our work is high quality, addresses the key issues in each sector, and provides added value.
Our Values

We first launched our Vision, Mission and Values statements in 1997. Our Vision is ‘To help the Nation Spend Wisely’. Our mission is ‘To promote the highest standards in financial management and reporting, the proper conduct of public business and beneficial change in the provision of public services’.

We seek to achieve our Vision and Mission through our corporate Values, which underpin the Office’s culture and environment. They are:

- Cooperative Spirit
- Integrity
- Looking Outwards
- Making a Difference
- Open Communications
- Professional Excellence
- Valuing Individuals

Valuing Individuals is particularly relevant to diversity. This Value states that ‘we employ people with talent. We must recognise their achievements and apply fair and flexible systems to help everyone reach their full potential. We value the unique differences in individuals and the elements of diversity they bring to the organisation. Our Annual Living the Values award ceremony celebrates individuals who personify each of our values.'
Our commitment to equality of opportunity is underpinned by our equality and diversity policy, which we report against in this Diversity Annual Report. We aim to be an equal opportunities employer by:

- promoting policies and practices that encourage equality of opportunity and respect for all;
- following all employment-related procedures impartially and objectively;
- ensuring that all job applicants and existing members of staff receive equal treatment that is free from unfair or unlawful discrimination;
- ensuring that staff can work in an atmosphere of safety, dignity and respect, knowing that they won’t be harassed or bullied.

To achieve this, our Senior Management Board agreed a diversity action plan in order to fulfil the effective implementation of our equality and diversity policy. The key elements of the plan were to:

- make staff fully aware of the importance of equal opportunities at work and their own rights and responsibilities;
- provide relevant training and guidance to all staff who are responsible for managing others or are otherwise involved in staff-related matters;
- assess and keep under review all our employment procedures including: recruitment, selection, appraisal, promotion, work allocation, welfare and attendance, pay and benefits and training opportunities;
- develop effective procedures for dealing with grievances and complaints about discrimination and harassment;

- monitor the internal diversity composition and career patterns of our staff and data on recruitment so we can assess the effectiveness of the policy and identify areas for further action;
- identify where we can take positive action within the law to enhance employment, training, and promotion opportunities for under-represented groups;
- continue to identify and offer opportunities for flexible working arrangements where operationally possible;
- review the policy and its workings on a regular basis so that we can continually improve our equal opportunities practice; and
- distribute and publicise the policy to all staff, job applicants, recruitment agencies, and other relevant bodies.

In response to the requirements of the Race Relations (Amendment) Act, we reviewed our existing Race Equality Scheme in 2005. Its sets out the actions we will take to promote racial equality by implementing Equality Impact Assessments on all functions that are relevant to the general duty.

Our Disability Equality Scheme and action plans were produced in 2006. The scheme sets out the ways in which we intend to remove the barriers faced by disabled people in order to create a working environment which promotes inclusiveness and equality.

By involving disabled people in the production of our scheme we have identified six core strategic priorities for the next three years:

- Accessibility and the built environment
- Employment
- Involving disabled people
- Communication
A working group has been set up to monitor progress on the Disability Equality Scheme.

The Gender Equality Scheme has been completed and was published in April 2007. The scheme sets out the action we have already taken and future measures aimed at creating a working environment in which men and women are treated fairly and consistently and are given equal opportunity to develop their careers.

In 2006 we introduced the Association of Accounting Technicians (AAT) Fast Track Scheme. The AAT Fast Track Scheme is for recent school leavers/college leavers, or non-graduate career changers, with a strong academic record to A level who are interested in a career in accountancy. In launching the AAT Fast Track Scheme the NAO has three key objectives:

- to retain a non graduate entry to the audit stream for high calibre recruits who may lack the opportunity of a university education or who may be deterred by prospective levels of graduate debt;
- to offer an alternative route for recruiting trainees which avoids the long time frame traditionally experienced in the recruitment and training of AATs and their progression through to professional qualification; and
- to attract a more diverse range of applicants to our training programme.

The first five ATTs started on the fast track scheme in January 2007 and the next group joined us in September 2007.

The Diversity Strategy

We have already made considerable inroads into embedding diversity into our business and the Diversity Strategy (2005-08) will further facilitate the mainstreaming of diversity into our business and employment practices. The key areas the strategy has focussed on are ethnicity, disability and age. The Diversity Team have introduced the following initiatives this year:

- Conducted diversity monitoring exercises on disability and ethnic origin to ensure we have accurate and comprehensive information on the composition our workforce. We have increased the percentage of staff on whom we hold ethnicity data from 93 per cent to 98 per cent.
- For the disability monitoring exercise we received responses from approximately half of the office. Of those who responded 6.2 per cent declared a disability which has significantly increased the figure held centrally by Human Resources, up from 1.7 per cent.
- Introduced an ethnic minority mentoring programme to help facilitate the career progression of ethnic minority staff to senior positions;
- Set up work-placements for disabled and ethnic minority undergraduates.
- Reviewed our human resources policies and practices to ensure they are free from age-related criteria, in line with age discrimination legislation.
- Introduced the process of Equality Impact Assessments for each of our corporate services functions.
- Organised a number of initiatives to support diversity such as Deaf Awareness Workshops, Mental Health Awareness Workshops and employment law courses for new managers.
Became Diversity champions for Stonewall, an organisation that works for equality and justice for lesbians, gay men, and bisexuals (LGB). Our engagement with Stonewall allows us to benchmark our performance against a series of criteria they use for their Workplace Equality Index, which include:

- Evidence of diversity training that refers specifically to issues of “sexual orientation”
- Evidence of Community involvement – for example recruitment strategies which demonstrate our commitment to LGB issues.

We plan to review our performance against the index in 2008 and consider actions which we might take to address any issues identified.

Conducted an Employee Survey with Ipsos Mori that included diversity-specific questions. Eighty-six per cent of staff responded. Results of the survey showed that 81 per cent of employees believe that the NAO is committed to equal opportunities and 75 per cent say that they are treated with fairness and respect. This compares favourably with Ipsos Mori results (Normative data 2006) that show for the public sector 62 per cent of employees believe their employer is committed to equal opportunities and 54 per cent say that they are treated with fairness and respect.

The first work-placement scheme took place in the summer of 2006 for two ethnic minority and two disabled undergraduates. The Windsor Fellowship and Employability interns completed various training activities and worked for eight weeks over the summer period. One intern was subsequently successful in the graduate recruitment assessment process and started on our Graduate Scheme in October 2006. The work-placement scheme provided the perfect opportunity for managers to learn to manage and support diverse groups with specific needs. It also provided exposure of the NAO’s work to this diverse group of undergraduates. We plan to make this an annual event.

The Diversity team regularly reports to the Management Committee on the progress of our diversity initiatives.

The Diversity Manager

The NAO’s Diversity Manager, Jill Morris, was appointed on the 1 August 2007 and is responsible for:

- implementing the Diversity Strategy (2005-08);
- developing, publicising and monitoring the NAO’s equality and diversity policies and practices;
- collating and analysing data relating to equal opportunities;
- identifying areas for action, and promoting and monitoring changes and improvements;
- overseeing the review of all employment procedures relating to equal opportunities, including complaints;
- providing information, advice and training;
- liaising with the Trade Union Side on equal opportunity issues;
- maintaining contact with other relevant organisations.

Jill is a member of the Office’s Diversity Steering Group.
Our performance on diversity

To measure our success as a diverse employer, we monitor the key points of contact between the NAO and our staff.

Our monitoring data uses the Census 2001 ethnicity classifications so that our performance can be compared with publicly available national data. We monitor and analyse data on applicants for jobs, distribution of minority groups amongst grades and specialisms, applications for training and further education support, performance appraisal, promotion outcomes and reasons for staff resignations. We also carry out an equal pay audit in relation to gender, ethnicity and age. This data and all information required by the equality legislation, is published externally, some of it in a summarised format.

Annexes A to C of this report provide the detailed results of our monitoring work. The following sections summarise key aspects of our performance and the action we are taking to build on past successes.

i) Recruitment

In 2006-07 we recruited 76 trainees to our graduate recruitment programme and 102 staff directly to non-graduate posts. One of the main focuses for the recruitment team in 2006-07 was the expansion of our office in Newcastle. In time, around 90 people – a tenth of our workforce – will be based there. In 2006-07 we recruited our first non-London graduate entrants to our ICAEW scheme.

Forty-six per cent (35 out of 76) of graduates recruited to our training scheme in 2006-07 were women which is eight per cent higher than the figures for the past two years. However, it reflects the longer term trend highlighted in the following table, with female graduates making up 43 per cent of new entrants since 2001-02. These figures are in line with those of both the Civil Service Fast Stream and the Audit Commission.

<table>
<thead>
<tr>
<th>Percentage of women recruited on NAO graduate scheme from 2001-07</th>
</tr>
</thead>
<tbody>
<tr>
<td>44</td>
</tr>
</tbody>
</table>

Source: The National Audit Office
The proportion of women recruited to non-graduate posts varied, depending on the vacancy, but averaged 52 per cent in 2006-07 up from 41 per cent in 2005-06. The overall recruitment pattern by gender for all campaigns (including graduate recruitment) is shown in Figure 2.

The proportion of minority ethnic graduate trainees recruited to the Office in 2006-07 was 16 per cent, the majority of whom were of Asian origin. Although this represents a decrease on the figure for the previous year the longer term trend remains very positive with an average intake of 22 per cent ethnic minority graduates between 2003-04 and 2006-07, as shown in Figure 3. These figures compare to 7.6 per cent of graduate entrants to the Civil Service Fast Stream being from an ethnic minority background and 24 per cent of graduate entrants to the Audit Commission in 2006.

The Office sets strict academic entry requirements to our graduate training scheme which are not met by a proportion of applicants. In 2005-06, the “failure rate” for white applicants was 34 per cent, compared to 48 per cent for ethnic minority applicants. In 2006-07, the “failure rate” for white applicants was 26 per cent, compared to 50 per cent for ethnic minority applicants.

Because we use a variety of recruitment methods we do not hold detailed data on the ethnicity of applicants for all non-graduate posts. The proportion of ethnic minorities recruited during 2006-07 was 20 per cent which compares favourably with ONS statistics which show that 8.3 per cent of the national working age population are from an ethnic minority.

The overall recruitment pattern for all campaigns (including graduate recruitment) is shown in Figure 4.

In 2006-07, 2.6 per cent of graduate new entrants had a declared disability down from seven per cent in 2005-06. Three per cent of non-graduate posts were filled with an applicant declaring a disability, up from one per cent in 2005-06. Overall, the number of disabled applicants joining the NAO was the same as in 2005-06.

In 2006-07, four per cent of our graduate trainees recruited were aged 30 or over compared to 2005-06 when six per cent of trainees aged 30 or over were recruited.
During 2006-07, 62 per cent of our non-graduate recruits were aged 20–29, compared to 25 per cent over 30 and 13 per cent over 40. These recruitment patterns suggest that the Office has continued to prove attractive to new recruits from across the age spectrum, though the proportion of staff recruited over 40 has remained the same, the proportion of staff between 20–29 has increased from 55 per cent in 2005-06. One explanation for the increase may be that non-graduate recruitment in 2005-06 focussed on grades across the spectrum whereas recruitment in 2006-07 focussed largely on Graduate Researchers and Senior Analyst positions. These roles largely attract applicants who have recently completed Masters and PhDs and are starting their working career.

ii) Pay

Our annual equal pay audit showed that there were no significant differences related to gender, ethnicity or age within individual pay bands. Where differentials do occur, they can be accounted for by other non-gender, non-ethnicity or non-age related factors. The average full time salary for women is 87 per cent of the average for men compared to 83 per cent across the economy generally.

iii) Training

In terms of training activity in 2006-07, the proportion of all training activity undertaken by women was 43 per cent, similar to their representation in the Office; whilst the proportion undertaken by ethnic minority staff (16 per cent) was slightly higher than their representation (15.2 per cent). The training pattern by age shows that staff aged 20–29 undertook proportionately more training than their representation in the Office whilst staff over 40 undertook proportionately less. One possible reason for this pattern is that younger staff are likely to be less experienced than older staff and therefore require more formal training.

The second tranche of the Future Leaders Development Programme was launched in 2006-07. The programme aims to identify and develop those people who demonstrate the potential to progress to senior management positions in the NAO. A group of 12 participants was selected. Of these, one (8.3 per cent) is from an ethnic minority background and five (42 per cent) are women. From the first group of Future Leaders six out of thirteen have been promoted. Out of the six promoted four (66 per cent) were women and one (17 per cent) was from an ethnic minority background.

We support a small number of staff to undertake further education each year (around 20), including professional qualifications in HR, library and information studies, and masters degrees in audit related areas, for example, economics and health policy. Of these, 80 per cent were women in 2006-07. Ethnic minority staff accounted for 27 per cent of all further education undertaken, well above their representation in the Office.
iv) Performance Management

The NAO’s performance management system has three performance bands (A, B and C) with A ratings awarded to our strongest performers. In addition, a rating of potential (the star rating) is used to identify staff who demonstrate the abilities required to progress to the next grade within a three year time period.

2006-07 Analysis

Similar proportions of men and women received A, B and C ratings. Of those eligible 26 per cent of female staff were awarded a star rating compared to 23 per cent of men. The gap between the two groups has, however, narrowed from previous years.

Whilst white staff have consistently achieved a higher proportion of the highest ratings than ethnic minority staff, over the last few years the relative position of ethnic minority staff in terms of their share of the higher ratings has improved, with the difference between the two groups now reduced to six per cent.

Of those awarded A star ratings 86 per cent were white staff compared to 14 per cent from ethnic minority backgrounds. This distribution is similar to the proportions of white and ethnic minority staff in the Office.

The performance ratings of staff in the 20–29, 30–39 and 40–49 age bands are consistent with around 38 per cent receiving A ratings and around 55 per cent receiving B ratings. For staff in the 50+ age groups the number of A ratings awarded is lower at 27 per cent, though this is up from 20 per cent in 2005-06.

In 2006-07, 54 per cent of eligible staff in the 20–29 age group were awarded a star rating compared to 23 per cent in the 30–39 and 40–49 age group and six per cent of those aged 50+. This compares to 38 per cent, 25 per cent and three per cent respectively for 2005-06.

Whilst we shall continue to monitor the age profile in the 2007 appraisal round, we acknowledge that the figures reflect the fact that older staff are more likely to have reached their full career potential than younger colleagues who generally have a number of career levels still to progress and are more likely, therefore, to be awarded a potential rating.

Part-time Staff

In 2005-06, 24 per cent of part-time staff achieved A ratings compared with 37 per cent of full-time staff. The gap has decreased in 2006-07 with 29 per cent of part-time staff achieving A ratings compared with 35 per cent of full-time staff. Part-time staff were more likely to receive a B rating compared with full-time staff at 62 per cent compared with 57 per cent. Eight per cent of part-time staff were awarded a C rating compared to seven per cent of full-time staff. All of these results demonstrate that the gap between performance ratings for full and part-time staff appear to be closing.

The gap between the two groups in respect of star ratings has also narrowed considerably from previous years with 17 per cent of part-time staff receiving star ratings compared with 25 per cent of full-time staff in 2006-07. In 2005-06 only nine per cent of eligible part-time staff were awarded a star rating.

The results of our appraisal process are reviewed by the Development Manager/Development Director network and the full Management Committee to ensure that assessment standards are fair and consistent. These reviews incorporate detailed statistical analyses of the appraisal marks.
v) Representation

The representation of women in the Office has been stable at 43 per cent for the last few years. This compares to a figure of 53 per cent for the civil service as a whole (30 September 2006) and 51 per cent for the Audit Commission (2006). 36 per cent of our Senior Management Board (C&AG, DC&AG, AAG and non-executive members) were women in 2006-07. This compares favourably with the Civil Service target to have 30 per cent of top management posts filled by women by 2008. Although not directly comparable, 25 per cent of the top five per cent of earners in the Audit Commission are women.

We have seen an increase in the number of female staff at Senior Management (Director level and above) this year from 26 per cent in 2005-06 to 30 per cent in 2006-07, although this is below the Civil Service target of 37 per cent of Senior Civil Service posts filled by women by 2008. There were four applications for Director level positions from women in 2006-07 of which three (75 per cent) were successful. This is higher than the success rate for male applicants which was 67 per cent. We have also increased our representation of women at manager level. In 2005-06 women made up around 30 per cent of the manager cadre increasing to 35 per cent in 2006-07. The progress in the gender mix of our more senior grades may reflect the success of the Office’s Future Leaders Development Programme, which has already seen four women promoted out of the first group of participants.

Representation of ethnic minority staff at senior management level has increased to just over four per cent from three per cent in 2005-06. This is slightly higher than figures for the Senior Civil Service where representation was 3.2 per cent as at October 2006 and compares favourably with the Civil Service target to have four per cent of the Senior Civil Service from minority ethnic backgrounds by 2008. Less than three per cent of the top five per cent of highest earners in the Audit Commission are from ethnic minority backgrounds.

Overall representation of ethnic minority staff within the NAO has remained stable at 15.2 per cent of the Office’s population compared to the Civil Service’s 8.4 per cent and 8.7 per cent of the Audit Commission.

Our recent Disability Monitoring exercise has identified a significantly higher proportion of disabled staff in the Office than was the case when our data was less reliable. 6.2 per cent of NAO staff have a declared disability compared to 4.5 per cent of the Civil Service, and 3.5 per cent of the Audit Commission, although these figures may be underreported.

### Women as a percentage of the workforce 2005-07

<table>
<thead>
<tr>
<th>Category</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior management</td>
<td>30</td>
<td>30</td>
<td>35</td>
</tr>
<tr>
<td>Managers</td>
<td>20</td>
<td>20</td>
<td>20</td>
</tr>
<tr>
<td>Qualifieds</td>
<td>40</td>
<td>40</td>
<td>45</td>
</tr>
<tr>
<td>Trainees</td>
<td>50</td>
<td>50</td>
<td>55</td>
</tr>
<tr>
<td>Corporate Services staff</td>
<td>60</td>
<td>60</td>
<td>65</td>
</tr>
</tbody>
</table>

Source: The National Audit Office
The representation of our age groups for 2006-07 is more or less identical to the pattern for previous years. Our largest concentration of staff is in the 20–29 age group which represents 37 per cent of all staff (35 per cent in 2005-06). This is largely due to the fact we employ a high proportion of our staff (some 20 per cent) as graduate trainees who are predominantly aged between 20–29. The smallest concentration of staff is in the 50–59 age range representing 13 per cent of staff. Similar proportions of staff are represented in the 30–39 and 40–49 age groups, making up in total 50 per cent of all staff compared to 57 per cent in the Civil Service. These two age groups also make up the majority of staff employed by the Audit Commission (61 per cent), but the Commission employs significantly fewer staff in the 20–29 age range (17 per cent) compared to the NAO's figure of 37 per cent.

The NAO removed its retirement age in 2006 and we expect to have more staff aged over 60 in the future. Currently we have two members of staff in this category.

The representation of staff by grade and age is shown at Figure 7.

(vi) Promotion

138 staff were promoted during 2006-07 compared to 142 staff in 2005-06. These figures include promotions related to attainment of professional qualifications and those opened to competition. An equal number of men and women were promoted in 2006-07. The female application success rate was 78 per cent compared to 65 per cent for men, whilst in 2005-06 female and male success rates were the same. During 2005-06 the percentage of staff promoted who were from an ethnic minority background was 12 per cent; this has increased to 16 per cent in 2006-07. Ethnic minority application success rates have increased from 60 per cent in the previous year to 73 per cent for 2006-07 and are equal to the application success rate for white staff. In addition, we have increased the number of ethnic minorities promoted to the Manager and Director grade.

Three staff who have declared a disability were promoted in 2006-07.

(vii) Retention

Forty-five per cent of all resignations from the Office in 2006-07 were from women which is similar to their representation in the Office (43 per cent). During 2006-07, 14 per cent of all resignations were from ethnic minorities which is slightly lower than their representation in the Office (15.2 per cent).

The highest proportion of resignations was in the 20–29 age group which accounted for 47 per cent of all resignations followed by the 30–39 age group which accounted for 29 per cent. This compares to 39 per cent and 36 per cent in 2005-06. There is no noticeable reason for the increase in resignations from the 20–29 age but we will be monitoring these figures closely to see if this is a continuing trend. Over 65 per cent of leavers in the 20–29 age group were engaged on financial or value for money audit.

We continue to collect information on the factors influencing decisions to resign from the NAO through confidential interviews held with a third party provider. Some of the reasons for leaving were due to personal circumstances which have no connection with the NAO. However some staff cited a desire to seek wider experience within the public and private sectors.

(vii) Consultation

In implementing new employment procedures, we consult with staff formally through the Trades Union Side. We also take account of the views of the various sub-groups of the Diversity Steering Group. The Diversity Steering Group also provides an advisory forum to debate diversity issues and acts as a sounding board for the development of HR policies.

(viii) Flexibility

The Office has traditionally taken a positive approach to flexible working and our process for considering applications reflects the statutory procedures introduced through the Government’s flexible working legislation. These arrangements not only meet the needs of working parents and help promote retention, but can accommodate the particular cultural or religious needs of individual staff.

As at 31 March 2007, 85 people, representing 10 per cent of our staff, were working part time, the same percentage as last year. These figures do not, however, include staff who may be working full-time, but on a flexible pattern.
6. Ethnic minority staff as a percentage of the workforce 2006-07

Source: The National Audit Office

7. Ethnic minority staff by age as a percentage of the workforce in each grade 2006-07

Source: The National Audit Office
The Management Committee has continued to demonstrate its support for Diversity, for instance by: its comprehensive review of interim and final performance marks; its agreement to the external publication of our Diversity Annual Report; and its support for a new programme of initiatives to take the Diversity Strategy (2005-2008) forward. The Management Committee are provided with advice and support on employment and diversity issues by the Human Resources Team. Board level responsibility for HR matters are shared jointly by Wendy Kenway-Smith (Assistant Auditor-General) and Jim Rickleton (Assistant Auditor-General) enhancing the profile of HR on the corporate agenda and drawing on Jim Rickleton’s experience as the Diversity Champion and Chair of the Diversity Steering Group.

The membership of the Diversity Steering Group is drawn from across the Office representing different minority ethnic groups as well as differences in gender, religion, age, working patterns, grade, specialism etc. Our members in 2006-2007 were:

- Jim Rickleton, Assistant Auditor General
- Aileen Murphie, Director on value for money audit
- Chris Lambert, Audit Manager on value for money audit
- Ken Foreman, Audit Principal on value for money audit
- Simone Davis, Audit Manager on value for money audit
- Craig Adams, Audit Principal on value for money audit
- Ann Green, Audit Principal on value for money audit
- Collin Richards, a Senior Executive Officer on Payroll
- Florice Caines, Executive Assistant and Vice Chair of the Ethnic Minority Network
- Pat Taylor, Head of Talent, Skills and Career Development
- Jill Morris, Diversity Manager

During the year we have networked with colleagues in the Civil Service and more widely to seek ideas and share good practice. Internally, we have worked with a range of colleagues including the Facilities Team to improve health and safety arrangements for people with disabilities.
Our future strategy

We identified three core strategic priorities for the next three years which were endorsed by the Management Board in October 2006. Whilst we intend to monitor our progress on all aspects of our diversity strategy we will continue to focus on these three priorities in 2008:

- Better representation of women in the Audit Manager and Director grades.
- Greater awareness of the range of flexible working policies among all staff.
- Better representation of women within IT functions in the office.
### 2006-07: Graduate recruitment numerical analysis by gender

<table>
<thead>
<tr>
<th>Stage</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stage 1: Application form received</td>
<td>537</td>
<td>371</td>
</tr>
<tr>
<td>Stage 2: Applications meeting nationality and qualifications requirements</td>
<td>354</td>
<td>245</td>
</tr>
<tr>
<td>Stage 3: Invited to first interview</td>
<td>252</td>
<td>176</td>
</tr>
<tr>
<td>Stage 4: Attended first interview</td>
<td>168</td>
<td>109</td>
</tr>
<tr>
<td>Stage 5: Invited to Group Selection</td>
<td>95</td>
<td>64</td>
</tr>
<tr>
<td>Stage 6: Attended Group Selection</td>
<td>80</td>
<td>59</td>
</tr>
<tr>
<td>Stage 7: Job offer made</td>
<td>46</td>
<td>37</td>
</tr>
<tr>
<td>Stage 8: Job offer accepted</td>
<td>41</td>
<td>35</td>
</tr>
</tbody>
</table>

Source: The National Audit Office
Graduate Recruitment 2006-2007: Percentage success rate by stage – analysis by gender

<table>
<thead>
<tr>
<th>Stage</th>
<th>Male</th>
<th>Female</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stage 1: Application form recorded</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Stage 2: Applications meeting nationality and qualification requirements</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Stage 3: Invited to first interview</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Stage 4: Attended first interview</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Stage 5: Invited to Group Selection</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Stage 6: Attended Group Selection</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Stage 7: Job offer made</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Stage 8: Job offer accepted</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

Source: The National Audit Office

Other recruitment 2006-07 numerical analysis by gender

<table>
<thead>
<tr>
<th>Grade</th>
<th>Male</th>
<th>Female</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Director</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Manager</td>
<td>4</td>
<td>3</td>
<td>7</td>
</tr>
<tr>
<td>Qualified (AP, SA, A)</td>
<td>18</td>
<td>13</td>
<td>31</td>
</tr>
<tr>
<td>Trainees (EO res/AT/ATT)</td>
<td>6</td>
<td>12</td>
<td>18</td>
</tr>
<tr>
<td>Corporate Services</td>
<td>21</td>
<td>25</td>
<td>46</td>
</tr>
<tr>
<td>Successful candidates</td>
<td>48 (48%)</td>
<td>53 (52%)</td>
<td>102</td>
</tr>
</tbody>
</table>

Source: The National Audit Office

NOTE
1. Trainees do not include topos.

Gender profiles by grade 2006-07

<table>
<thead>
<tr>
<th>Grade</th>
<th>Audit Staff</th>
<th>Men</th>
<th>%</th>
<th>Women</th>
<th>%</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>D/C&amp;AG</td>
<td>1</td>
<td>100</td>
<td>0</td>
<td>-</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>AAG</td>
<td>3</td>
<td>43</td>
<td>4</td>
<td>57</td>
<td>7</td>
<td></td>
</tr>
<tr>
<td>Directorate</td>
<td>44</td>
<td>73</td>
<td>16</td>
<td>27</td>
<td>60</td>
<td></td>
</tr>
<tr>
<td>AM</td>
<td>92</td>
<td>65</td>
<td>50</td>
<td>35</td>
<td>142</td>
<td></td>
</tr>
<tr>
<td>Qualified (AP/SA/A/A)</td>
<td>187</td>
<td>60</td>
<td>125</td>
<td>40</td>
<td>312</td>
<td></td>
</tr>
<tr>
<td>Trainees (AA, ATH, AT, ATT/EO res)</td>
<td>117</td>
<td>57</td>
<td>88</td>
<td>43</td>
<td>205</td>
<td></td>
</tr>
<tr>
<td>Subtotal</td>
<td>444</td>
<td>61</td>
<td>283</td>
<td>39</td>
<td>727</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Grade</th>
<th>Corporate Service Staff</th>
<th>Men</th>
<th>%</th>
<th>Women</th>
<th>%</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>G7</td>
<td>8</td>
<td>57</td>
<td>6</td>
<td>43</td>
<td>14</td>
<td></td>
</tr>
<tr>
<td>SEO</td>
<td>8</td>
<td>47</td>
<td>9</td>
<td>53</td>
<td>17</td>
<td></td>
</tr>
<tr>
<td>HEO/equivalent</td>
<td>20</td>
<td>65</td>
<td>11</td>
<td>35</td>
<td>31</td>
<td></td>
</tr>
<tr>
<td>EO/equivalent</td>
<td>29</td>
<td>29</td>
<td>63</td>
<td>71</td>
<td>92</td>
<td></td>
</tr>
<tr>
<td>ADMO/equivalent</td>
<td>18</td>
<td>43</td>
<td>24</td>
<td>57</td>
<td>42</td>
<td></td>
</tr>
<tr>
<td>Subtotal</td>
<td>83</td>
<td>41</td>
<td>113</td>
<td>59</td>
<td>196</td>
<td></td>
</tr>
<tr>
<td>Total Staff</td>
<td>527</td>
<td>57</td>
<td>396</td>
<td>43</td>
<td>923</td>
<td></td>
</tr>
</tbody>
</table>

Source: The National Audit Office
5 Annual ratings by gender 2006

Percentage within rating category

<table>
<thead>
<tr>
<th>Appraisal rating</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>30</td>
<td>50</td>
</tr>
<tr>
<td>B</td>
<td>40</td>
<td>60</td>
</tr>
<tr>
<td>C</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td>NR</td>
<td>20</td>
<td>0</td>
</tr>
</tbody>
</table>

Source: The National Audit Office

6 Annual star ratings by gender 2006

Gender comparison of star ratings overall (excl A/AAs/EO (Res Contract)) – Proportion of As with Stars and Proportion of Bs with Stars.

<table>
<thead>
<tr>
<th>Star ratings</th>
<th>Male</th>
<th>Female</th>
<th>Expected</th>
</tr>
</thead>
<tbody>
<tr>
<td>A*</td>
<td>50</td>
<td>60</td>
<td>55</td>
</tr>
<tr>
<td>B*</td>
<td>20</td>
<td>10</td>
<td>15</td>
</tr>
<tr>
<td>Total*</td>
<td>70</td>
<td>70</td>
<td>70</td>
</tr>
</tbody>
</table>

Source: The National Audit Office

7 Annual performance ratings by working hours

Percentage within rating category

<table>
<thead>
<tr>
<th>Appraisal rating</th>
<th>Fulltime</th>
<th>Part-time</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>30</td>
<td>40</td>
</tr>
<tr>
<td>B</td>
<td>50</td>
<td>60</td>
</tr>
<tr>
<td>NR</td>
<td>20</td>
<td>0</td>
</tr>
</tbody>
</table>

Source: The National Audit Office

8 Annual star ratings by working hours

Full-time v Part-time comparison of star ratings overall (excl A/AAs/EO (Res Contract)) – Proportion of As with Stars and Proportion of Bs with Stars.

<table>
<thead>
<tr>
<th>Star ratings</th>
<th>Fulltime</th>
<th>Part-time</th>
<th>Expected</th>
</tr>
</thead>
<tbody>
<tr>
<td>A*</td>
<td>50</td>
<td>40</td>
<td>45</td>
</tr>
<tr>
<td>B*</td>
<td>20</td>
<td>30</td>
<td>25</td>
</tr>
<tr>
<td>Total*</td>
<td>70</td>
<td>70</td>
<td>70</td>
</tr>
</tbody>
</table>

Source: The National Audit Office
<table>
<thead>
<tr>
<th>Promotion Campaigns 2006-07</th>
<th>Male</th>
<th></th>
<th>Female</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of Campaigns</td>
<td>Total no. of applications</td>
<td>Applicants</td>
<td>Sifted in</td>
<td>Promotees</td>
</tr>
<tr>
<td>Senior Managers</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Directorate¹</td>
<td>4</td>
<td>7</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Manager/G7</td>
<td>3</td>
<td>67</td>
<td>42</td>
<td>24</td>
</tr>
<tr>
<td>Qualified² (AP)</td>
<td>0</td>
<td>44</td>
<td>21</td>
<td>n/a</td>
</tr>
<tr>
<td>Analyst</td>
<td>1</td>
<td>12</td>
<td>8</td>
<td>8</td>
</tr>
<tr>
<td>Trainees² (A)</td>
<td>0</td>
<td>51</td>
<td>28</td>
<td>n/a</td>
</tr>
<tr>
<td>Corporate Services</td>
<td>9</td>
<td>13</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Totals</td>
<td>17</td>
<td>194</td>
<td>106</td>
<td>39</td>
</tr>
</tbody>
</table>

Source: The National Audit Office

NOTES
1. Four campaigns held, 5 Director positions placed.
2. Promotions to Auditor and Audit Principal do not involve campaigns.
<table>
<thead>
<tr>
<th>Stage</th>
<th>Asian %</th>
<th>Black %</th>
<th>Chinese %</th>
<th>Mixed/other %</th>
<th>White %</th>
<th>Unknown %</th>
<th>Total %</th>
<th>Total number of applications</th>
</tr>
</thead>
<tbody>
<tr>
<td>Application form recorded</td>
<td>172</td>
<td>19</td>
<td>63</td>
<td>7</td>
<td>40</td>
<td>4</td>
<td>27</td>
<td>3</td>
</tr>
<tr>
<td>Application meeting nationality and academic requirements</td>
<td>81</td>
<td>14</td>
<td>28</td>
<td>5</td>
<td>26</td>
<td>4</td>
<td>13</td>
<td>2</td>
</tr>
<tr>
<td>Invited to first interview</td>
<td>59</td>
<td>14</td>
<td>18</td>
<td>4</td>
<td>18</td>
<td>4</td>
<td>8</td>
<td>2</td>
</tr>
<tr>
<td>Attended first interview</td>
<td>39</td>
<td>14</td>
<td>16</td>
<td>6</td>
<td>16</td>
<td>6</td>
<td>4</td>
<td>1</td>
</tr>
<tr>
<td>Invited to Group Selection</td>
<td>19</td>
<td>12</td>
<td>7</td>
<td>4</td>
<td>14</td>
<td>9</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Attended to Group Selection</td>
<td>15</td>
<td>11</td>
<td>7</td>
<td>5</td>
<td>11</td>
<td>8</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Job offer</td>
<td>8</td>
<td>10</td>
<td>1</td>
<td>1</td>
<td>3</td>
<td>4</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Job offer accepted</td>
<td>7</td>
<td>9</td>
<td>1</td>
<td>1</td>
<td>3</td>
<td>4</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

Source: The National Audit Office
## Other recruitment 2006-07 numerical analysis by ethnicity

<table>
<thead>
<tr>
<th>Category</th>
<th>Asian</th>
<th>Black</th>
<th>Chinese</th>
<th>Mixed</th>
<th>White</th>
<th>Unknown</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Director</td>
<td>2</td>
<td>5</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>7</td>
</tr>
<tr>
<td>Manager/G7</td>
<td>2</td>
<td>4</td>
<td>1</td>
<td>1</td>
<td>5</td>
<td>18</td>
<td>31</td>
</tr>
<tr>
<td>Qualified (AP/SA/A)</td>
<td>2</td>
<td>4</td>
<td>1</td>
<td>1</td>
<td>5</td>
<td>18</td>
<td>31</td>
</tr>
<tr>
<td>Trainees (EO res/ ATH/AT/ATT)</td>
<td>6</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>6</td>
<td>12</td>
<td>25</td>
</tr>
<tr>
<td>Corporate Services</td>
<td>3</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>6</td>
<td>27</td>
<td>39</td>
</tr>
<tr>
<td>Successful candidates</td>
<td>11(10%)</td>
<td>5(5%)</td>
<td>2(2%)</td>
<td>3(3%)</td>
<td>19(19%)</td>
<td>62(61%)</td>
<td>102</td>
</tr>
</tbody>
</table>

Source: The National Audit Office

**NOTE**
Trainees do not include topps.

## Ethnic breakdown of staff by grade 2006-07

<table>
<thead>
<tr>
<th>Grade</th>
<th>Asian</th>
<th>Total</th>
<th>Black</th>
<th>Total</th>
<th>Chinese</th>
<th>Total</th>
<th>Mixed/other</th>
<th>Total</th>
<th>White</th>
<th>Total</th>
<th>Unknown</th>
<th>Total</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Audit staff</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>D/C&amp;AG</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>AAG</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>7</td>
<td>100</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>7</td>
</tr>
<tr>
<td>Director</td>
<td>2</td>
<td>3.2</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1.6</td>
<td>57</td>
<td>91.9</td>
<td>2</td>
<td>3.2</td>
<td>62</td>
<td>62</td>
</tr>
<tr>
<td>AM</td>
<td>3</td>
<td>2.1</td>
<td>2</td>
<td>1.4</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>130</td>
<td>91.5</td>
<td>7</td>
<td>4.9</td>
<td>142</td>
<td>142</td>
</tr>
<tr>
<td>Qualified (AP,SA,A,A)</td>
<td>24</td>
<td>7.7</td>
<td>8</td>
<td>2.6</td>
<td>5</td>
<td>1.6</td>
<td>9</td>
<td>259</td>
<td>83</td>
<td>7</td>
<td>2.2</td>
<td>312</td>
<td>312</td>
</tr>
<tr>
<td>Trainees (AA,AT, ATT, EO res)</td>
<td>24</td>
<td>11.7</td>
<td>12</td>
<td>5.9</td>
<td>5</td>
<td>2.4</td>
<td>4</td>
<td>155</td>
<td>75.6</td>
<td>5</td>
<td>2.4</td>
<td>205</td>
<td>205</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>53</td>
<td>7.3</td>
<td>22</td>
<td>3</td>
<td>10</td>
<td>1.4</td>
<td>14</td>
<td>609</td>
<td>83.5</td>
<td>21</td>
<td>2.9</td>
<td>729</td>
<td>729</td>
</tr>
<tr>
<td><strong>Corporate service staff</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>G7</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>14</td>
<td>100</td>
<td>0</td>
<td>0</td>
<td>14</td>
<td>14</td>
</tr>
<tr>
<td>SEO</td>
<td>1</td>
<td>6.2</td>
<td>2</td>
<td>12.5</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>12</td>
<td>69</td>
<td>2</td>
<td>12.5</td>
<td>17</td>
<td>17</td>
</tr>
<tr>
<td>HEO/equivalent</td>
<td>1</td>
<td>3.3</td>
<td>2</td>
<td>6.7</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>28</td>
<td>90</td>
<td>0</td>
<td>0</td>
<td>31</td>
<td>31</td>
</tr>
<tr>
<td>EO/equivalent</td>
<td>8</td>
<td>9.4</td>
<td>13</td>
<td>15.3</td>
<td>1</td>
<td>1.2</td>
<td>2</td>
<td>2.3</td>
<td>65</td>
<td>68.2</td>
<td>3</td>
<td>3.5</td>
<td>92</td>
</tr>
<tr>
<td>ADMO/equivalent</td>
<td>2</td>
<td>4.7</td>
<td>6</td>
<td>14.2</td>
<td>1</td>
<td>2.4</td>
<td>2</td>
<td>4.8</td>
<td>27</td>
<td>64.3</td>
<td>4</td>
<td>1</td>
<td>42</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>12</td>
<td>6.1</td>
<td>23</td>
<td>11.7</td>
<td>2</td>
<td>1</td>
<td>4</td>
<td>2</td>
<td>146</td>
<td>74.4</td>
<td>9</td>
<td>4.6</td>
<td>196</td>
</tr>
<tr>
<td><strong>Total Staff</strong></td>
<td>65</td>
<td>7</td>
<td>45</td>
<td>4.9</td>
<td>12</td>
<td>12.9</td>
<td>18</td>
<td>1.9</td>
<td>755</td>
<td>81.6</td>
<td>30</td>
<td>3.2</td>
<td>925</td>
</tr>
</tbody>
</table>

Source: The National Audit Office
### Ethnicity comparison

#### Percentage within rating categories

<table>
<thead>
<tr>
<th>Appraisal rating</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>30%</td>
</tr>
<tr>
<td>B</td>
<td>50%</td>
</tr>
<tr>
<td>C</td>
<td>10%</td>
</tr>
<tr>
<td>NR</td>
<td>10%</td>
</tr>
</tbody>
</table>

- **White**
- **Non-White**

Source: The National Audit Office

### Annual star ratings by ethnicity

Ethnicity comparison of star ratings overall (excl. A/AA/E0 (Res Contract)) – Proportion of As with Stars and Proportion of Bs with Stars.

<table>
<thead>
<tr>
<th>Star ratings</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>White</td>
<td>60%</td>
</tr>
<tr>
<td>Non-White</td>
<td>40%</td>
</tr>
<tr>
<td>Expected</td>
<td>20%</td>
</tr>
</tbody>
</table>

- **A**
- **B**
- **Total**

Source: The National Audit Office

### The relative position of Ethnic Minority staff over time in terms of highest ratings

<table>
<thead>
<tr>
<th>Year</th>
<th>Ethnic Minorities as % of work force</th>
<th>Ethnic Minorities as % of highest ratings</th>
</tr>
</thead>
<tbody>
<tr>
<td>1998-99</td>
<td>18%</td>
<td>6%</td>
</tr>
<tr>
<td>1999-2000</td>
<td>16%</td>
<td>8%</td>
</tr>
<tr>
<td>2000-2001</td>
<td>14%</td>
<td>10%</td>
</tr>
<tr>
<td>2001-2002</td>
<td>12%</td>
<td>12%</td>
</tr>
<tr>
<td>2002-2003</td>
<td>10%</td>
<td>14%</td>
</tr>
<tr>
<td>2003-2004</td>
<td>8%</td>
<td>16%</td>
</tr>
<tr>
<td>2004-2005</td>
<td>6%</td>
<td>18%</td>
</tr>
<tr>
<td>2005-2006</td>
<td>4%</td>
<td>20%</td>
</tr>
<tr>
<td>2006-2007</td>
<td>2%</td>
<td>22%</td>
</tr>
</tbody>
</table>

Source: The National Audit Office
### Promotions Campaign 2006-07

#### White

<table>
<thead>
<tr>
<th>Senior Managers</th>
<th>No. of Campaigns</th>
<th>Total no. of applications</th>
<th>Applicants</th>
<th>Sifted in</th>
<th>Promotees</th>
<th>Success %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Directorate¹</td>
<td>4</td>
<td>7</td>
<td>5</td>
<td>5</td>
<td>4</td>
<td>80</td>
</tr>
<tr>
<td>Managers</td>
<td>3</td>
<td>67</td>
<td>57</td>
<td>37</td>
<td>17</td>
<td>30</td>
</tr>
<tr>
<td>Qualified²</td>
<td>0</td>
<td>44</td>
<td>39</td>
<td>n/a</td>
<td>39</td>
<td>100</td>
</tr>
<tr>
<td>Analyst</td>
<td>1</td>
<td>12</td>
<td>11</td>
<td>10</td>
<td>6</td>
<td>55</td>
</tr>
<tr>
<td>Trainees²</td>
<td>0</td>
<td>51</td>
<td>42</td>
<td>n/a</td>
<td>42</td>
<td>100</td>
</tr>
<tr>
<td>Corporate Services</td>
<td>9</td>
<td>13</td>
<td>9</td>
<td>9</td>
<td>7</td>
<td>78</td>
</tr>
<tr>
<td>Totals</td>
<td>17</td>
<td>194</td>
<td>163</td>
<td>61</td>
<td>115</td>
<td>71</td>
</tr>
</tbody>
</table>

#### Ethnic Minorities

<table>
<thead>
<tr>
<th>Senior Managers</th>
<th>No. of Campaigns</th>
<th>Total no. of applications</th>
<th>Applicants</th>
<th>Sifted in</th>
<th>Promotees</th>
<th>Success %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Directorate¹</td>
<td>4</td>
<td>7</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>100</td>
</tr>
<tr>
<td>Managers</td>
<td>3</td>
<td>67</td>
<td>10</td>
<td>5</td>
<td>3</td>
<td>30</td>
</tr>
<tr>
<td>Qualified²</td>
<td>0</td>
<td>44</td>
<td>5</td>
<td>n/a</td>
<td>5</td>
<td>100</td>
</tr>
<tr>
<td>Analyst</td>
<td>1</td>
<td>12</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Trainees²</td>
<td>0</td>
<td>51</td>
<td>9</td>
<td>n/a</td>
<td>9</td>
<td>100</td>
</tr>
<tr>
<td>Corporate Services</td>
<td>9</td>
<td>13</td>
<td>4</td>
<td>4</td>
<td>4</td>
<td>100</td>
</tr>
<tr>
<td>Totals</td>
<td>17</td>
<td>194</td>
<td>30</td>
<td>11</td>
<td>22</td>
<td>73</td>
</tr>
</tbody>
</table>

#### Unknown

<table>
<thead>
<tr>
<th>Senior Managers</th>
<th>No. of Campaigns</th>
<th>Total no. of applications</th>
<th>Applicants</th>
<th>Sifted in</th>
<th>Promotees</th>
<th>Success %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Directorate¹</td>
<td>4</td>
<td>7</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Managers</td>
<td>3</td>
<td>67</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Qualified²</td>
<td>0</td>
<td>44</td>
<td>0</td>
<td>n/a</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Analyst</td>
<td>1</td>
<td>12</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Trainees²</td>
<td>0</td>
<td>51</td>
<td>0</td>
<td>n/a</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Corporate Services</td>
<td>9</td>
<td>13</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Totals</td>
<td>17</td>
<td>194</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

Source: The National Audit Office

### NOTES

1. Four campaigns held, five Director positions placed.
2. Promotion to Auditor and Audit Principal do not involve campaigns.
### Graduate Recruitment 2006-07 comparative success rates of applicants by age grouping

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Application form recorded</th>
<th>Application meeting nationality and academic requirements</th>
<th>Invited to first interview</th>
<th>Attended first interview</th>
<th>Invited to Group Selection</th>
<th>Attended to Group Selection</th>
<th>Job offer</th>
<th>Job offer accepted</th>
</tr>
</thead>
<tbody>
<tr>
<td>20-29</td>
<td>817</td>
<td>553</td>
<td>400</td>
<td>254</td>
<td>149</td>
<td>131</td>
<td>80</td>
<td>73</td>
</tr>
<tr>
<td>Total</td>
<td>89%</td>
<td>92%</td>
<td>93%</td>
<td>92%</td>
<td>94%</td>
<td>94%</td>
<td>96%</td>
<td>96%</td>
</tr>
<tr>
<td>30-39</td>
<td>56%</td>
<td>30%</td>
<td>18%</td>
<td>15%</td>
<td>8%</td>
<td>6%</td>
<td>3%</td>
<td>3%</td>
</tr>
<tr>
<td>Total</td>
<td>56%</td>
<td>30%</td>
<td>18%</td>
<td>15%</td>
<td>8%</td>
<td>6%</td>
<td>3%</td>
<td>3%</td>
</tr>
<tr>
<td>40-49</td>
<td>6%</td>
<td>6%</td>
<td>4%</td>
<td>5%</td>
<td>5%</td>
<td>4%</td>
<td>4%</td>
<td>4%</td>
</tr>
<tr>
<td>Total</td>
<td>6%</td>
<td>6%</td>
<td>4%</td>
<td>5%</td>
<td>5%</td>
<td>4%</td>
<td>4%</td>
<td>4%</td>
</tr>
<tr>
<td>50-59</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>Total</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>Not specified</td>
<td>0.1 %</td>
<td>9%</td>
<td>2%</td>
<td>6%</td>
<td>1%</td>
<td>2%</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>Total</td>
<td>0.1%</td>
<td>9%</td>
<td>2%</td>
<td>6%</td>
<td>1%</td>
<td>2%</td>
<td>0%</td>
<td>0%</td>
</tr>
</tbody>
</table>

**Source:** The National Audit Office

**NOTE**

Eighteen applicants did not give age data, six successful applicants deferred to next campaign.
Other recruitment 2004-05 numerical analysis by age

<table>
<thead>
<tr>
<th></th>
<th>16–19</th>
<th>20–29</th>
<th>30–39</th>
<th>40–49</th>
<th>50–59</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Directorate</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0</td>
</tr>
<tr>
<td>Manager/G7</td>
<td></td>
<td>1</td>
<td>3</td>
<td>3</td>
<td></td>
<td>7</td>
</tr>
<tr>
<td>Qualified (AP/SA/A)</td>
<td>14</td>
<td>10</td>
<td>5</td>
<td>2</td>
<td>31</td>
<td></td>
</tr>
<tr>
<td>Trainees EO res /AT/ATT</td>
<td>13</td>
<td>4</td>
<td>1</td>
<td>1</td>
<td>18</td>
<td></td>
</tr>
<tr>
<td>Corporate Services</td>
<td>36</td>
<td>8</td>
<td>1</td>
<td>1</td>
<td>46</td>
<td></td>
</tr>
<tr>
<td>Successful candidates</td>
<td>64(63%)</td>
<td>25(25%)</td>
<td>9 (9%)</td>
<td>4(4%)</td>
<td>102</td>
<td></td>
</tr>
</tbody>
</table>

Source: The National Audit Office

NOTE
Trainees does not include TOPPS.

Annual performance rating by age

Percentage of staff in rating category

<table>
<thead>
<tr>
<th></th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>NR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age 1</td>
<td>70</td>
<td>60</td>
<td>50</td>
<td>40</td>
</tr>
<tr>
<td>Age 2</td>
<td>60</td>
<td>50</td>
<td>40</td>
<td>30</td>
</tr>
<tr>
<td>Age 3</td>
<td>50</td>
<td>40</td>
<td>30</td>
<td>20</td>
</tr>
</tbody>
</table>

Source: The National Audit Office

Annual star ratings by age

Age comparison of star ratings overall (excl A/AA/EO (Res Contract)) – Proportion of As with Stars and Proportion of Bs with Stars.

Percentage

<table>
<thead>
<tr>
<th></th>
<th>Age 1</th>
<th>Age 2</th>
<th>Age 3</th>
<th>Expected %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age 1</td>
<td>70</td>
<td>60</td>
<td>50</td>
<td>40</td>
</tr>
<tr>
<td>Age 2</td>
<td>60</td>
<td>50</td>
<td>40</td>
<td>30</td>
</tr>
<tr>
<td>Age 3</td>
<td>50</td>
<td>40</td>
<td>30</td>
<td>20</td>
</tr>
</tbody>
</table>

Source: The National Audit Office
5 Promotions campaigns 2006-2007

<table>
<thead>
<tr>
<th></th>
<th>20–29</th>
<th>30–39</th>
<th>40–49</th>
<th>50–59</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No. of Campaigns</td>
<td>Total no. of applicants</td>
<td>Applicants Sifted in</td>
<td>Promotees Success %</td>
</tr>
<tr>
<td>Senior Managers</td>
<td>4</td>
<td>7</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Directorate</td>
<td>3</td>
<td>67</td>
<td>15</td>
<td>12</td>
</tr>
<tr>
<td>Managers</td>
<td>0</td>
<td>44</td>
<td>n/a</td>
<td>39</td>
</tr>
<tr>
<td>Qualified</td>
<td>1</td>
<td>12</td>
<td>9</td>
<td>8</td>
</tr>
<tr>
<td>Analyst</td>
<td>0</td>
<td>51</td>
<td>n/a</td>
<td>45</td>
</tr>
<tr>
<td>Trainees</td>
<td>9</td>
<td>13</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Corporate Services</td>
<td>2</td>
<td>10</td>
<td>5</td>
<td>29</td>
</tr>
</tbody>
</table>

Source: The National Audit Office

NOTES
1. Four campaigns held, five Director positions placed.
2. Promotions to Auditor and Audit Principal do not involve campaigns.