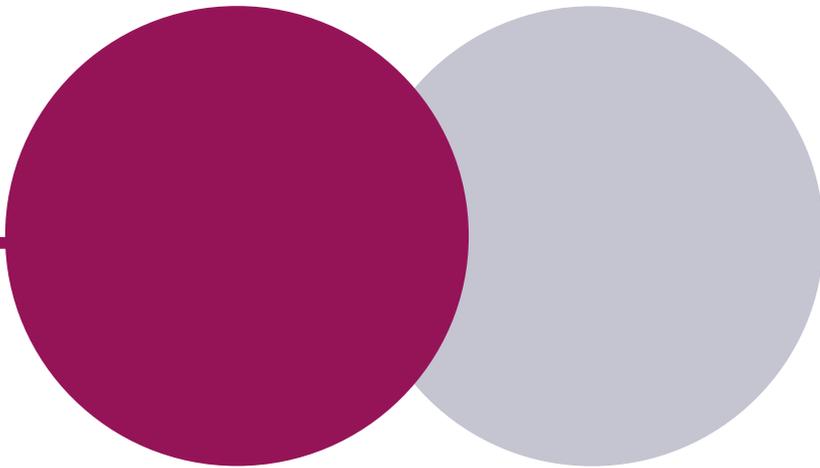




National Audit Office



CORPORATE

# The National Audit Office diversity pay gap report – 2025

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by the  
National Audit Office  
FEBRUARY 2026



**We are the UK's  
independent  
public spending  
watchdog.**

**We support Parliament  
in holding government  
to account and we  
help improve public  
services through our  
high-quality audits.**

The National Audit Office (NAO) scrutinises public spending for Parliament and is independent of government and the civil service. We help Parliament hold government to account and we use our insights to help people who manage and govern public bodies improve public services.

The Comptroller and Auditor General (C&AG), Gareth Davies, is an Officer of the House of Commons and leads the NAO. We audit the financial accounts of departments and other public bodies. We also examine and report on the value for money of how public money has been spent.

In 2024, the NAO's work led to a positive financial impact through reduced costs, improved service delivery, or other benefits to citizens, of £5.3 billion. This represents around £53 for every pound of our net expenditure.

# The National Audit Office diversity pay gap report – 2025

## Introduction

Our strategic ambitions are to support the delivery of more productive and resilient public services and promote better financial management and reporting in government. Our people support us to achieve this through high quality, impactful work. Diverse teams, which reflect the communities that our work affects, enable us to gain richer, more compelling insights to inform our recommendations and drive meaningful improvements. We also take seriously our legal obligations under the Equality Act 2010.

This year, we published our new Diversity and Inclusion (D&I) Strategy for 2026–2030. Our key aims for the strategy are to build a high-performing, authentically engaged workforce that is diverse in thought and representation and create an inclusive culture in which all colleagues are valued and supported to achieve their potential. We will track our progress through a combination of data and insights drawn from key metrics and the experiences of our people. Our annual pay gap report is an important part of this.

Since 2017 the National Audit Office (NAO) has made an annual declaration of our gender pay gap as required by legislation. While reporting on other diversity pay gaps is not mandated, in 2020, we made the decision to voluntarily publish data on our ethnicity pay gap, which we have done using the recommended government methodology published in May 2023. We also decided to publish data on our disability pay gap from 2021 onwards, and this year we are publishing our social mobility pay gap for the first time. Our motive for doing so is to offer transparency to our staff and the wider public and to hold ourselves to account for eliminating pay gaps where these are identified.

### Data reported on and terminology used

Since 2021, we have reported our ethnicity pay gap by comparing the average pay of White (including White minorities) and ethnic minority colleagues. This allows us to make comparisons each year of the overall position and to therefore track progress at a high level.

We are, however, conscious of the inherent limitations that can arise from using a single, broad term to incorporate all colleagues who are ethnic minorities, not least that this can mask differing experiences and disadvantages which affect specific groups, or indicate that progress is being made without this being true in all cases. We are committed to ensuring all colleagues are treated fairly, feel supported and valued, and have an equal opportunity to develop their careers at the NAO. We therefore also publish more detailed monitoring on pay gaps for different ethnic backgrounds, including White, Asian and Black. The numbers for Mixed ethnic background and Other ethnic background are smaller than the minimum recommended for publication and so have not been included in this report.

We also refer to disabled and non-disabled staff. Again, we know that these terms are not universally preferred and that they do not encapsulate the full diversity of people’s experiences. Part of our commitment to build a fully inclusive organisation is the recognition that each of us is unique and brings our own experiences and perspectives to life and work.

### Gender pay gap

**Mean gap = 1.27%** (a reduction of 0.38 percentage points from 31 March 2024)

**Median gap = 2.37%** (an increase of 2.37 percentage points from 31 March 2024)

Mean and median bonus pay gap: **not applicable** (the NAO does not operate a bonus scheme)

Proportion of males and females receiving a bonus: **not applicable** (the NAO does not operate a bonus scheme)

### Proportion of males and females in each pay quartile (2024 figures in brackets)

Quartile	Female (%)	Male (%)
Lower	51% (48%)	49% (52%)
Lower middle	48% (49%)	52% (51%)
Upper middle	49% (49%)	51% (51%)
Upper	46% (45%)	54% (55%)

## Ethnicity pay gap

**Mean gap = 11.67%** (a reduction of 2.87 percentage points from 31 March 2024)

**Median gap = 15.77%** (a reduction of 3.29 percentage points from 31 March 2024)

Mean and median bonus pay gap: **not applicable** (the NAO does not operate a bonus scheme)

Proportion of ethnic minority and White staff receiving a bonus: **not applicable** (the NAO does not operate a bonus scheme)

### Proportion of ethnic minority and White staff in each quartile (2024 figures in brackets)

Quartile	Ethnic minority (%)	White (%)
Lower	40% (40%)	60% (60%)
Lower middle	32% (25%)	68% (75%)
Upper middle	25% (24%)	75% (76%)
Upper	20% (15%)	80% (85%)

**Mean pay gap by ethnic background** (The numbers for Mixed ethnic background and Other ethnic background are smaller than the minimum recommended for publication and so have not been included in this report.)

(2024 figures in brackets)

Gap between White staff and Asian staff: **13.26% (16.43%)**

Gap between White staff and Black staff: **7.40% (12.48%)**

Gap between Black staff and Asian staff: **6.33% (4.51%)**

**Median pay gap by ethnic background** (The numbers for Mixed ethnic background and Other ethnic background are smaller than the minimum recommended for publication and so have not been included in this report.)

(2024 figures in brackets)

Gap between White staff and Asian staff: **15.77% (21.63%)**

Gap between White staff and Black staff: **9.85% (18.40%)**

Gap between Black staff and Asian staff: **6.57% (3.96%)**

## Disability pay gap

**Mean gap = minus 2.18%** (a reduction of 3.67 percentage points from March 2024)

**Median gap = minus 5.48%** (a reduction of 5.48 percentage points from March 2024)

Mean and median bonus pay gap: **not applicable** (the NAO does not operate a bonus scheme)

Proportion of disabled and non-disabled staff receiving a bonus: **not applicable** (the NAO does not operate a bonus scheme)

### Proportion of disabled and non-disabled staff in each quartile (2024 figures in brackets)

Quartile	Disabled (%)	Non-disabled (%)
Lower	12% (15%)	88% (85%)
Lower middle	16% (18%)	84% (82%)
Upper middle	18% (18%)	82% (82%)
Upper	14% (12%)	86% (88%)

## Social mobility pay gap

(Comparison of lower socio-economic background to higher socio-economic background based on parental occupation.)

**Mean gap = 2.72%** (not previously published)

**Median gap = 0.59%** (not previously published)

Mean and median bonus pay gap: **not applicable** (the NAO does not operate a bonus scheme)

Proportion of lower socio-economic background and higher socio-economic background staff receiving a bonus: **not applicable** (the NAO does not operate a bonus scheme)

### Proportion of lower socio-economic background and higher socio-economic background in each quartile

Quartile	Lower socio-economic background (%)	Higher socio-economic background (%)
Lower	35%	65%
Lower middle	29%	71%
Upper middle	29%	71%
Upper	31%	69%

Quartiles are calculated by dividing a list of all relevant employees ranked by salary into four equal parts and then calculating the percentage of men and women (for gender reporting), ethnic minority and White staff (for ethnicity reporting), disabled and non-disabled staff (for disability reporting) and higher socio-economic background and lower socio-economic background (for social mobility reporting) in each quartile.

### Progress and next steps

Our mean gender pay gap has continued to reduce and is less than 1.5%, putting us on track to eradicate our gender pay gap by 2027. While the median gap has increased slightly, partly due to a higher proportion of female candidates recruited onto our graduate training scheme, it is still less than 2.5%. Our disability pay gap has also reduced to below zero.

Our next steps are to continue with our progress of keeping these reductions on track and building an inclusive environment for all our people.

In recent years, our biggest area of focus on our pay gaps has been to reduce our ethnicity pay gap, both overall and across different groups. While our ethnicity pay gaps reduced slightly this year at both the mean and median, they are still above where we want them to be, and remain a significant priority.

We continue to successfully recruit a diverse range of candidates for our roles and, as the majority of recruitment is at junior levels, the size of our pay gaps is heavily impacted by representation at these levels. In 2024, 40% of new joiners to our graduate campaign were ethnic minority, 49% were female, and 14% had declared a disability. We are also at or above target at senior and middle management for women and disabled colleagues. However, representation of ethnic minority staff at senior levels remains below target. Addressing this, and maintaining progress in other areas, is a key ambition of our D&I strategy, and one where success will, consequently, reduce our pay gaps.

The actions we are taking in support of this include the following.

- Embedding improvements into our internal promotion process to ensure all candidates feel supported with preparation and have the opportunity to demonstrate their skills and potential, with a specific focus on identifying and addressing any underlying factors that will support reducing our ethnic minority pay gap.
- Introducing a new People Deal which sets out our offer to colleagues, including our work to promote an inclusive culture.
- Supporting colleagues to become coaches to their peers, promoting diversity and inclusion themes through individuals acting as ‘change agents’, and encouraging mentoring across different NAO communities.
- Convening a Neurodiversity Working Group, tasked with identifying further measures to foster an inclusive workplace.
- Our new five-year D&I strategy includes specific actions on supporting colleagues to progress to more senior grades and promoting a culture of inclusivity across the office.

### **Written statement**

I can confirm that the NAO’s gender pay gap calculations are accurate and meet the requirements of the Regulations.

Our ethnicity, disability and social mobility pay gaps, while not covered by specific regulations, have been calculated using a similar methodology.

**Gareth Davies**  
**Comptroller and Auditor General**

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