



International Development Committee

Oral evidence: The development work of the FCDO, HC 531

Tuesday 7 January 2025

Ordered by the House of Commons to be published on 7 January 2025.

[Watch the meeting](#)

Members present: Sarah Champion (Chair); Monica Harding; Laura Kyrke-Smith; Noah Law; Alice Macdonald; Brian Mathew; David Mundell; James Naish; David Reed; Sam Rushworth; David Taylor.

Questions 1 - 160

Witnesses

I: Sir Philip Barton KCMG OBE, Permanent Under-Secretary, FCDO; Nick Dyer, Second Permanent Under-Secretary, FCDO; Corin Robertson, Director General, Finance and Corporate, FCDO.

II: Rt Hon Anneliese Dodds MP, Minister of State for Development, FCDO; Melinda Bohannon, Director General, Humanitarian and Development, FCDO.

Written evidence from witnesses:

– [Add names of witnesses and hyperlink to submissions]



Examination of witnesses

Witnesses: Sir Philip Barton, Nick Dyer and Corin Robertson.

Chair: I would like to start this International Development Committee meeting when we have the pleasure of not one but two permanent under-secretaries from FCDO in front of us and Corin Robertson, who is a finance director.

Corin Robertson: I am DG finance and corporate.

Q1 **Chair:** Thank you very much. We have a wide range of questions, as you can imagine. First, if it is not inappropriate, could I start, Sir Philip, by saying that it has been an absolute pleasure to work with you, engage with you and meet with you over your tenure? You came in at probably the most—I do not know how to say it—challenging time for FCDO and you have tried really hard to steer a relatively stable passage for the team and the Governments that you have worked under. It has been a great privilege to have you in that role. When is it that you are leaving us? I think that this is your last gig, is it not?

Sir Philip Barton: Thank you very much, Chair. I really appreciate those remarks and the sentiment that lies behind them. I think that this is my last ever, certainly in this role, Select Committee appearance. The announcement of my successor is imminent and that will also determine exactly when I step down, probably later this month. This is possibly, probably, my last Select Committee appearance.

Q2 **Chair:** We wish you well. Please stay a friend to this Committee. The service that you have given has been absolutely fantastic. The one thing that I am really grateful for is that you have always been very honest and up front in your engagements, not only with this Committee but with Parliament. We really value that, so thank you very much.

On that, could I ask you to formally introduce yourselves? Then we will start with the questions.

Sir Philip Barton: I am Philip Barton. I am the permanent under-secretary of the Foreign, Commonwealth and Development Office. Maybe, Chair, I could just add congratulations to you on your re-election as Chair. Congratulations to all of the Committee on joining the Committee. Looking at all your CVs, it is great to see so many people with expertise and experience in the development sector.

Chair: We are blessed as a Committee. Thank you.

Nick Dyer: I am Nick Dyer. I am the second permanent under-secretary at the FCDO and I lead on our development portfolio.

Corin Robertson: I am Corin Robertson, director general for finance and corporate, so chief operating officer at FCDO.

Chair: Corin, because you are a late addition, we do not have questions



specific to you, but please jump in.

Q3 Sam Rushworth: This is mainly addressed to you, Sir Philip, based on your tenure as the first permanent under-secretary. What do you consider to be the primary benefits and costs of the merger with DFID and the Foreign Office?

Sir Philip Barton: The idea behind the merger was to achieve more for the UK internationally by being more integrated. Some of that was around doing diplomacy and development in one Department. Some of it was around wider integration, under the last Government, of the overall international effort, under the policy framework of the integrated review. It is how you achieve more in terms of a headquarters effort and making joined-up policymaking and policy decisions, but also the effort on the ground through our global network and the sort of thing that you can see is actually bringing benefits.

Some of it is illustrated in the NAO's report on the merger. For example, when responding to a sudden onset crisis, so the earthquake in Turkey and north-east Syria a couple of years ago, we had a much more integrated response, doing the immediate humanitarian side, which in the past would have been done on the DFID side, but also with the consular and political response. Similarly, if you look at, for example, work we do in a terrible tragedy in a place such as Sudan, some of that is around our ability to secure access for humanitarian agencies, and that requires political influence. We are much better at basically putting on the table our deep development expertise and ability to work with agencies, but also our diplomatic influence through the diplomatic side.

I am not going to duck the part on costs and I can go into detail. I will just say two things. The financial cost was not huge. I think that we have reported it in successive annual reports. From memory, the headline figure was £24 million and then there are some costs of things we would have had to do as individual Departments around modernising our IT and HR that are slightly hard to disentangle. It is true that doing a merger, at any organisation, is going to be complicated and complex, and there is a disruption factor as you bring teams together. There was a period in late 2020 into 2021 where we were going through the process of selecting new leadership and putting in place the merged teams. That had a bit of an impact on our ability to deliver in that period.

Q4 Chair: Sir Philip, by costs, I do not think Sam was necessarily just talking about money. This Committee has never taken a position on whether the Government should do the merger, because that is obviously for the Government, but we were very clear that the timing of the merger was pretty catastrophic. Let us remember that it was a new Government. It was covid. There was much upheaval in the world. We were reliably told off the record that it was because the Prime Minister was meddling too much in Brexit and they wanted to throw him a bone to get him away from interfering in the Brexit negotiations. What do you think the costs were of the timing of making that decision to merge the two



Departments?

Sir Philip Barton: We looked at this. I think that the NAO also looked at it. Actually, I think that we put this in our witness statements to the covid inquiry. I do not think that I would say that it affected the Government and the two Departments'—then one Department's—ability, for example, to respond to the pandemic.

Q5 **Chair:** What about the Afghanistan withdrawal, for example?

Sir Philip Barton: Let me come on to that. Mergers are always complicated and difficult. Doing it in the course of a global pandemic, not least when you cannot meet in person, just bringing together two teams into one team, definitely made it harder and probably more complicated, and it took longer to implement.

On Afghanistan, it is very hard to know what the counterfactual would have been. What would have happened if there had not been a merger? Would the response have been different? It was a very significant and challenging situation. It was very demanding for any part of Government, and for all Governments around the world responding in the way that we were, to deal with. I recognise, and I have said, that it threw up some capability gaps and things that we needed to be better at.

There were some specific things that would not have been there if it had not have been for the merger around still having two IT systems that were not fully integrated at that point, which made some of the way in which we managed information more difficult than it would have been otherwise. I do not want to exaggerate that, Chair. The single biggest thing was the scale and complexity of the crisis we were responding to.

Q6 **Chair:** What about the cost to our international reputation? You mentioned that things were done online. Your staff were told online that they had to cut programmes. They were sending emails or, at best, making Zoom calls to people who were dependent on us for their programme delivery and just telling them that they were being shut, some with as short as three days' notice. There were some catastrophic decisions. For example, I think that it was 97% of the funding to the UNFPA that was cut with less than a week's notice, it told us in evidence.

Sir Philip Barton: DFID was a fantastic global brand. You, as the Committee, knew and acknowledged that. Therefore, a change to a single Department was controversial around the world and at least in some parts people had a negative reaction to it. My view is that—you talked about this—the reduction in the overall size of our budget, which was not related to the merger and came later, did more damage. You have illustrated that. It meant that in 2021 we were having to cut very significantly our programmes and either not do things we said we were going to do or, in some cases, close down or significantly reduce things we were already involved in at very short notice, because the scale of the cuts gave us no choice. That definitely did serious damage to our



HOUSE OF COMMONS

reputation. In some places, it meant that we were seen as an unreliable partner.

Q7 Chair: You presented the cuts as different to the merger. Maybe this is a question to Nick Dyer, if you do not mind. If DFID was still an independent Department, would you have had more leverage to argue against those cuts?

Nick Dyer: I am not sure that that would be the case. In pure Whitehall terms, to be honest, the FCDO has more seniority across the Whitehall firmament. Probably, you were in just as strong a position to argue the case within the FCDO as we were, or could have been, in DFID. The cut was, as the Government said at the time, due to the additional costs of covid and the fiscal costs that they could not absorb, so that they had to find cuts accordingly. I very much agree with Philip that the cuts were the most damaging part of what has happened over the last few years, particularly because they happened at scale, at very short notice and it was very difficult to accommodate them.

Q8 Chair: You do not think that having a Cabinet member at that time who could have been arguing against those cuts would have made any difference.

Nick Dyer: It is very difficult to judge and tell.

Q9 Sam Rushworth: I appreciate your comment on the cuts. What sort of damage do you think that that did to the UK's global brand, not only the cuts but also the loss of DFID, which I think it is fair to say was the envy of the world? I have previously worked in international development. I have visited foreign embassies all over the world where people spoke very positively about the UK and our role. Do you see any costs to our global reputation?

Sir Philip Barton: It is worth recognising that this Government's policy of spending 0.5% of GNI on ODA still makes us a very significant donor. There has been no change in the overall level since the original decision to step down from 0.7%. If you look at the international comparisons, we are in pretty good company at that level. I think that people have digested the change from us being a 0.7% donor to being a 0.5% donor for now until the fiscal situation allows an increase.

When I travel around the world, including to countries where DFID had a presence, I see good integration now in our missions between ex-FCO and ex-DFID teams, and very good partnership with other internationals operating in those countries but also with the countries themselves and their officials. People are getting on with engaging with the UK and UK officials. I do not think that there is an ongoing cost to the fact that we are now a merged Department, rather than two separate Departments, in the way we do our work, including on the development side.

Q10 Monica Harding: To push you on the separation between the two, has that meant a loss of focus for the development part of it? For example, is



HOUSE OF COMMONS

it subsumed by perhaps UK commercial interests and has that focus gone?

Sir Philip Barton: On the second point, it is in the legislation that the primary purpose has to be poverty reduction. That remains absolutely the case. We are really clear and strong about that and will not move away from that. As I say, it is in the legislation, so it is a legal obligation.

On the focus, Chair, apologies, you have heard this before. We recognised a couple of years in—it is something I would have preferred to have from the outset—that a second permanent under-secretary with a deep development background, acting alongside me, not so much as my deputy but as a horizontal capability, was really going to help us. Nick, you should perhaps say a little bit about what you have done over the last year and a half on giving us development focus.

Nick Dyer: Russia's invasion of Ukraine was the moment where I recognised what the benefits of the merger could be. At that time, bringing the political and development teams together, I genuinely think that we made better decisions more quickly and had better outcomes because of it, so I could see the benefits, but I have always been worried. I was always worried, at the point of the merger, about three things. One was visibility of our development voice within the merged FCDO. The second was how we managed accountabilities, because that was not very clear. The third was reduction in our capability because, frankly, quite a lot of people left at the point of the merger and we undermined our development capability.

I would like to say that my appointment in June 2023 went a long way to fix the first two about visibility and accountability. I have put in place additional accountability mechanisms to ensure that I can see what is going on in terms of ODA spend and accountability in terms of internal governance. Externally and internally, people now know who to go to if they want to talk about development, in terms of official level, which is me and the teams that I work with.

On the capability, that is a longer-term challenge. We lost about 20% of our professional capability just after the merger. If you look at our recruitments now, about 60% of all the development advisory roles in 2024, this year, have not been filled because we do not have enough people in the business to be able to fill them. We are going through a process of "How do we recreate and rebuild our capability?"

Q11 **Chair:** On that particular point, and I forget the exact wording, was it not a change that it could not be overseas nationals who could take the development roles, whereas it was before the merger? Is that having any impact?

Nick Dyer: There has been a change, in that the FCDO is a reserved Department, which means you have to be a UK national, and you require developed vetting to be able to work in the FCDO.



HOUSE OF COMMONS

Q12 **Chair:** I am happy with the developed vetting, but has the first had any impact?

Nick Dyer: That has prevented us from recruiting non-UK nationals as from the point of that decision. For our non-UK nationals who were in the organisation, we are still offering them opportunities.

Q13 **Chair:** Yes, but I am specifically asking whether that has hampered the recruitment process. Is that why we have so many vacancies?

Nick Dyer: No, it has not—not that specifically.

Q14 **Chair:** Why do you have so many vacancies? Is that the reputational damage? Is that one of the costs that we were asking about?

Nick Dyer: In terms of rebuilding our professional capability, we have principally focused on bringing people across the organisation into professional jobs. I think that there are about 200 of our new professional staff who we have built internally, so we have brought people into those roles from our existing complement. We are now starting to recruit externally. We were not recruiting externally previously, so we are now starting to recruit externally. We also have the agreement of the Treasury to increase the number of development staff we can bring into the organisation, so we are going to bring an additional 200 professional staff.

Q15 **Chair:** Had the Treasury put a hold on that?

Sir Philip Barton: It is more that there were workforce controls across the whole of the civil service, which meant that we had to control our overall workforce costs. In a sense, if it is funded on the development side through ODA, there was an exemption, so we can increase that. That is what Nick is referring to.

Q16 **Chair:** Sorry, to dig into this a little bit, that was for new posts or replacement posts that you had a hold on. If someone left, could you fill their post or was that on hold as well?

Nick Dyer: This is new posts.

Q17 **Chair:** I think that it is about 20% of people who left because of the merger. You were able to backfill those. They were not under the Treasury hold or you just internally filled them.

Nick Dyer: There was a certain amount of internal filling. There was a certain amount of internal restructuring that went on alongside the merger. Also, we now have agreement from the Treasury that we can uplift by an additional 200 to bring new people into the organisation on the development side.

Q18 **Chair:** Do those 250 get you back to the capacity that you were at, or is that in addition to where you were?

Nick Dyer: It is complicated.



Chair: Seemingly so.

Nick Dyer: It is. It partly depends on the theme and what areas you are looking at. Our bigger problem was that we lost a lot of seniority. Many of the posts that we lost at the point of merger were our most senior, experienced people.

Q19 **Chair:** Because of the merger, the experienced people did not want to be involved in what was going on.

Nick Dyer: There was a certain amount of that going on.

Chair: What a dreadful waste of incredibly talented people. My apologies to them because they were our absolute international flagship and did phenomenal work. That pains me to hear that.

Q20 **Monica Harding:** On that, I visited Kenya early last year. Two people involved in international development, in aid work in Kenya, said to me, "We miss the British". One of them was American and one was local. Is that because of brand? Is that because of capability, as you have outlined, or is that because of money?

Nick Dyer: I do not have the numbers in front of me. It is probably fair to say that our bilateral programme to Kenya has reduced over the last couple of years, because across the whole of our country portfolio it has come down quite significantly. When people say they miss the UK voice, I think that they are talking as much about the ideas, propositions and engagement of the UK in international events and discussions. That has taken a step back over the last few years because we have been very focused internally. We are now trying to rebuild and engage externally. For instance, on the whole global financial architecture debate, we are very engaged and energised, and we participate in all the various debates to try to get movement in getting reforms in the World Bank and the various other banks.

Q21 **David Reed:** Nick, Sir Philip and Corin, thank you very much for being with us today. I join the Chair in congratulating you and thanking you for your many decades of service to our country. I would like to start high level and then dive into detail. It is fair to say that, in recent years, the UK doing international development has become quite contentious to the British public, especially around the cost of living crisis. UK people largely do not really understand how or why their money is being spent overseas. Having been on this Committee for the last few months, I have struggled to understand that high-level view of why we do international development and, more importantly, why that matters to the UK population. To all three of you, would you be able to give a high-level view on why you think we do international development?

Sir Philip Barton: I would say two things. One is that it is reflected in what you see when, for example, the DEC puts out an appeal and the British public are very generous. There is something about us as a country helping the least fortunate in the world as an act of generosity. I



HOUSE OF COMMONS

think that people support that. The British public support and understand that, and put their hands in their own pockets at times of acute need, for, as I say, things such as DEC appeals.

The second thing is if you look at quite a lot of the issues that impact the UK and indeed the Government's agenda around missions and foundations. I do not want to exaggerate this but, if you go to the root causes, although the primary purpose of development assistance has to be, and rightly is, poverty reduction, some of them can be positively impacted by what we are doing overseas. I would cite those two dual reasons in answer to your question.

Nick Dyer: It depends on who I am talking to. I say that genuinely because different people want to hear different things or would be persuaded by different arguments. I would start by saying that this is part of the country we want to be, in terms of helping those who are more unfortunate than us. That is how we view ourselves and that is what we want to do in terms of reducing poverty and helping address inequality and the most marginalised.

Secondly, it is part of our foreign policy geopolitical interests to work on development. It is a foreign policy objective. If we want to achieve our wider foreign policy objectives, we need to ensure that the global south trust us and think we are on their side. Part of our development work is part of demonstrating to the poorest countries that we can be good partners and work with them to help solve the problems that they identify themselves. That is what good partnership is about.

Thirdly, like Philip, I think this is in part an argument around ensuring that we are helping the UK. I would say that in two thoughts. One is that, if you want to drive UK growth, which is one of the missions of Government, you cannot do that just domestically. You have to look at the markets of today, so the US, Europe and China to some extent, but also the markets of the future. The markets of the future are Nigeria, Indonesia and countries in the global south.

Migration has been driven by climate, conflict and the crises around the world. Development is about the long-term addressing of the drivers of migration. If you want to address the core challenges that are facing the UK, each of them has an international dimension and most of them have a development dimension to them as well.

Q22 **David Reed:** If I am being completely honest, I think that this is part of the problem. I completely understand all the arguments you are making, and I agree with many of them, but I am sure that many people on the Committee have had the same problem knocking on doors. Because there is not that short, snappy answer of why we are spending 0.5% of the GNI, of taxpayers' money, on this, it becomes quite unpalatable to people. As a country, we need to do much better in drawing that in and creating that narrative before diving into the detail and explaining why we are doing these things. The point around migration is going to be a



HOUSE OF COMMONS

significant one going forwards.

Moving on to the new Government, have they been fairly clear with the priorities for the development part of the FCDO?

Nick Dyer: I would start with the manifesto. The manifesto is pretty clear: a world free of poverty on a liveable planet. That signals two things. One is the interconnection between poverty reduction and climate change, which I think most of us would agree with. The other is, as most people will know, that that also is the strapline of the World Bank, which is about the importance of multilateralism and the multilateral system.

The other starting point of the Government is a recognition that, in the 14 years where they have been out of government, the world has changed quite significantly. It is more multipolar and contested. The issues around climate, growth and jobs are more important. There are issues around technology. There is a recognition about the changing landscape.

You will want to ask the Minister herself when she comes here after, and I do not particularly want to talk for her, but I would point to two speeches that have recently been made. One is her speech at Chatham House, where she talks about how to modernise international development. She talks there about partnerships, multilateralism and working with UK expertise. The other is the Foreign Secretary's speech on climate and nature, where he made a very strong pitch about the importance of addressing climate change, helping countries adapt to climate change and the nature challenge. Clearly that, alongside growth and jobs, is going to be particularly important, but I am sure that the Minister will expand on that.

Q23 **David Reed:** Linked very closely to that, and one for Corin, what will your priorities be going into the spending review negotiations?

Corin Robertson: Across the FCDO, our priorities are going to be to ensure we can secure the resources to deliver the Foreign Secretary's objectives and what we need to deliver in the world, so to maintain the platform that we provide for the whole of Government overseas. The FCDO provides that platform for the whole of Government, so it is ensuring that we can maintain and protect that. It is to ensure that we have the workforce and the resources we need in order to deliver the development strategy and the whole of our FCDO objectives for HMG.

Q24 **David Reed:** Moving on from the last Government to the new Government, are those priorities quite different? Are there quite significant changes that you are going to have to make to put those points across?

Corin Robertson: The Prime Minister has clearly set out his priorities and the missions and foundations of the Government. The Foreign Secretary has been clear about where his priorities are as part of that. He has also commissioned a series of reviews, which he will be looking at



HOUSE OF COMMONS

when we go into the spending review negotiations, thinking about where to prioritise those negotiations to secure the resources for the outer years of the spending review period.

Q25 David Mundell: We have a number of very significant replenishments coming up to existing multilateral arrangements, such as the Global Fund and Gavi. Where do you think the balance is currently sitting between bilateral and multilateralism, which you referred to, Nick? Are the resources there to be able to support even previously expected aspirations?

Nick Dyer: Our current multilateral share is about 35% on average of our spend. You will have seen that, just before the Christmas break, we made two replenishment announcements, one to IDA21, where we did a 40% uplift, and the second was replenishment to the WHO. We had to make those decisions in advance of the spending round. The next big two are going to be Gavi and the Global Fund. We are going to have to do those after the spending round because we want to take into account what the funding arrangements are looking like.

Broadly, we know what the budget is going to be. We know that it is going to be 0.5%. The Government have made it clear that they are going to stick to 0.5% until the fiscal circumstances change. There are a number of moving parts within that. One is, of course, in-donor refugee costs and how big those will be and then how much the FCDO gets in terms of its share. We would like, in the SR, as we have done in the past, to increase the share of the budget that comes to the FCDO. Every choice you make has a trade-off within the spending round. In effect, what we give bilaterally is the residual of all those other decisions.

Chair: Just because of time, I am going to have to move on to Noah, if that is okay. It is fascinating, but you can always follow up in writing.

David Mundell: Let us do that, please.

Chair: Could we get a follow-up in writing with more details to David Mundell's question, please?

Q26 Noah Law: We can touch briefly on that again. This question is to Nick and Corin, I think. You are the ODA spender of last resort, so do you think that this hinders the Department's ability to formulate and deliver long-term development programmes?

Nick Dyer: In the past, no, because we have always benefited from it. When GNI grew, we always got more resource. Of course, over the last few years, where we have had the unexpected increases in in-donor refugee costs, it has been quite damaging for us. I suppose that the question to ask is whether it still suits us to be the donor of last resort. I think that it does because the issue is predictability. If you want long-term partnerships, you have to have predictable funding.



HOUSE OF COMMONS

We got really badly caught out in 2022, where we had to make in-year cuts. We undermined our predictability. We are now managing our budget in a way where we are saying to our country programmes, or I am saying, “80% will be predictable; 20% you have to manage, because we may ask for it back”, in terms of uncertainty.

Q27 Chair: Nick, were those 2022 in-year costs because of the refugee costs?

Nick Dyer: Yes. We are now building our own way of managing our budgets to build in predictability, because those long-term partnerships are absolutely critical to the way we want to do our development.

Q28 Noah Law: Do you think those in-donor refugee costs—was it 27.9% in 2023 of ODA—are an effective way of addressing the sustainable development goals?

Nick Dyer: It is a valid way of spending your ODA because it is part of the DAC rules. The only thing I would say on it, regardless of what you think about it, is that the Home Secretary and the Home Office are now committed to bringing down those costs by addressing the biggest proportion of them, which is the hotel costs, but also to trying to reduce the backlog and get people through the system more quickly. My expectation is that those costs will start to come down, but how quickly and how fast is subject to a number of moving parts.

Q29 David Taylor: I wanted to briefly draw a comparison with the Dutch Government, because I understand that they have a 10% cap on in-donor refugee costs. Would it help your Department to have more predictability over aid spending if that was brought in in the UK?

Nick Dyer: Clearly, if there was a cap it would improve our predictability. Without a cap, where there is not one, there are other ways where we can build in our own predictability, as I just explained. That is the way that we have chosen to approach it, because of the choices that have been made across the Government and from the Treasury.

Q30 Alice Macdonald: Expanding on some specific areas of spend—humanitarian and gender equality, I wanted to ask about—you spoke about some areas where there is some predictability, but obviously in humanitarian assistance that is not so clear. How do you anticipate what might happen and allocate contingency? For example, where does the £50 million that has just been allocated to Syria come from and what impact does that have on the predictability of how you are spending your money?

Nick Dyer: There are two choices to make on the humanitarian side, which we will have to discuss with Ministers as we go forward. One is whether you want to set aside as part of your budget a particular proportion for a humanitarian spend. In the period in the annual report that we are talking about, we did. We set aside £1 billion for our humanitarian response and allocated it according to need and severity, so we had a very predictable humanitarian allocation. Then we actually



HOUSE OF COMMONS

reintroduced the crisis reserve that year as well, which was £50 million, which was a lot lower than previous years, but it is what we felt we could afford at the time.

Q31 Chair: What was it previously? I want to say that it was £500 million before the cuts started.

Nick Dyer: The highest it got to was £200 million. That was the actual humanitarian reserve that we set aside. We said that it could go up to £500 million by reallocating programmes if needed.

Q32 Chair: It was cut by 90%.

Nick Dyer: Yes. Clearly, it was a big cut. We have been reasonably predictable. Recently, we have had an increase in funding to Syria. We announced a big funding to Syria and a big increase to Sudan recently. Towards the end of the year, we tend to get underspends from programmes and we recycle those back into the humanitarian, which is what helped us drive our Sudan uplift.

Q33 Alice Macdonald: Given how many conflicts there are in the world and how much need there is for spending, do you think that you are going to have similar levels of underspend this year?

Nick Dyer: This year, there are two things happening. One is that there have been some underspends. The other is that, because of expected GNI growth and Home Office expected reductions in the spend, the CST has, subject to parliamentary approval, allocated an additional £540 million to FCDO for this financial year for additional spending. We used part of that for the Syria uplift that was announced.

Q34 Chair: Is that contingent on GNI growth, because it is not going that well at the moment, is it?

Nick Dyer: The allocation is based on nominal GNI. That is the forecast and that is the allocation that the CST has, subject to Parliament's agreement, to increase our budget.

Q35 Alice Macdonald: I have two specific questions on two areas of funding. I will do them together just for time. The 2023 statistics show that the bilateral ODA for humanitarian support fell by roughly 20% from 2022. That is where we have seen big cuts. What was the justification for that cut? Also, we know that gender equality is meant to be a priority within spending but we saw, between 2019 and 2021, ODA spending with a focus on gender equality halved. Do you feel like the FCDO took its eye off the ball when it came to women and girls?

Nick Dyer: We have seen cuts, both thematically and geographically, across the whole of our business because of the three rounds of cuts that we have experienced over the last four years. That is just an inevitable part of our experience. On the humanitarian side, only—what was it?—45% of the global humanitarian appeals were funded last year. There is a massive shortfall globally, in terms of not only our funding but everybody



HOUSE OF COMMONS

else's funding as well. Similarly on girls and women, there has been a cut thematically across the whole of the piece.

Have we taken our eye off the ball? You should ask the Minister this question when she comes later. She has a very strong commitment to women and girls.

Q36 Alice Macdonald: I was asking more historically, because we had seen that under the previous Government, with that aid really falling. Were people saying that we should be investing more in this area and it just was not happening?

Sir Philip Barton: Maybe I will answer that, because Nick was not in his role. In 2019 to 2021, that is through the step down from 0.7% to 0.5%. I cannot actually remember the exact number of billions it was overnight we had to take out of our budget. We had a conversation with Ministers and the Foreign Secretary of the day about the overall strategy and things, and then we set out the choices Ministers could make within the very significantly reduced envelope. We did that through having our best eye to value for money and how far programmes were along. I do not think it was taking it off the ball. It was just the only way to make the sums add up against a really significant reduction in the budget.

Q37 Alice Macdonald: Sometimes it makes you question, because it is mainstreamed gender, whether anyone is actually looking at aggregate impact on women and girls across all the cuts. We can leave it there for now.

Sir Philip Barton: We did our best, including doing our best to look at the equality impacts of the overall approach, but I understand what you are saying in terms of the aggregate and not just the women's and girls' programmes.

Chair: I am pulling it out of my memory banks. I am pretty sure that the Committee did that work and found out that women and girls were disproportionately cut, people with disabilities even more so, and the intersection of all of those, the most vulnerable people, got pretty much the worst cuts. It was not a good time for this country and its development work.

Q38 Monica Harding: Nick, ODA has been cut again for the 2024-25 budget to £13.7 billion, which is a reduction of £1.6 billion from the total 2023 ODA spend. Where will the impact of this reduction be felt?

Nick Dyer: While I recognise the overall figure of the GNI reduction, because in 2023 there was an exceptional end-of-year uplift in the budget given by the former Government of £1.5 billion, so we got to 0.58% of GNI and it has come down to 0.5%, when you add back the CST's uplift that he has approved, subject to parliamentary approval, the FCDO ODA programme budget, compared to 2023, has actually gone up. Our budget has not been cut. If anything, our budget has gone up a bit, by about £200 million to £300 million.



That is a consequence because of the GNI growth. It is also a consequence of in-donor refugee costs coming down, so there are two things going on. Net of the in-donor refugee costs is the figure that I like to look at, because that is what leaves the residual budget for Departments to spend in terms of discretionary ODA.

Q39 Monica Harding: Do you know what balance that is between the in-country refugee costs going down and GNI going up? Do you know how that is?

Nick Dyer: I do not have that in front of me. I would have to get back to you on that.

Chair: We would be grateful if you did. Thank you.

Q40 Monica Harding: Can I also ask another question? Coming back to priorities, I noticed also that there was a decline in spend on the eradication of poverty. From what you have just said about the Minister's priorities—and, again, we can ask her when she comes—is it your expectation that the objectives for development are going to be on the eradication of global poverty again and a renewed focus?

Nick Dyer: I do not recognise your statement that spending on eradication of poverty has gone down, because, in effect, everything that we do is about reducing poverty. There is a line of sight between our spend and poverty reduction, and that is what we have to justify in order to get the spend under the International Development Act.

Q41 Monica Harding: I think that there was a decline from 2019 in aid to least developed countries, which went significantly down, as you would expect, in 2021, but then continued to go down into 2023.

Nick Dyer: You are talking about the balance between—

Monica Harding: Between extreme poverty and the middle income countries, yes, so there was less spend there.

Nick Dyer: The thing to understand is that quite a lot of the middle-income spend is about supporting refugees who are fleeing crises or persecution. Our work in Jordan, Turkey and Ukraine is all related to conflict and refugee support. The statistics do not tell you the full story about what is going on in terms of who you are supporting and what you are doing, when you just look at the raw income statistics.

Q42 Monica Harding: The eradication of extreme poverty will be a continued objective under this Government.

Nick Dyer: Poverty reduction is a principal requirement of the International Development Act, so, yes, that will remain.

Q43 Brian Mathew: Nick, I will keep you on the spot, if that is all right. The Budget commits to bringing down asylum costs, though it includes no tangible commitment to how this will be achieved. Are the FCDO and Home Office in regular communication about the management of ODA in-



HOUSE OF COMMONS

donor refugee costs?

Nick Dyer: We are reliant on the Home Office to manage the asylum system. We have put in place a system whereby we now get monthly forecasts from the Home Office on its projections on its spend. That is something that we introduced. I cannot remember exactly when. There is a process now where we have more visibility about its forecast, which helps us manage our budget.

Q44 **Brian Mathew:** Leading on from that, and this may be something that is of interest, are there any planned milestones or targets in place to reduce the costs of refugees? I want to chuck in on top of this some of my own thoughts, especially on allowing asylum seekers to work while their applications are underway, perhaps with the use of ankle tags until their status is known. That is helping with both their mental health and the cost to the Exchequer of their accommodation, so it is a kind of win-win. I am wondering whether that would help. Could you throw such ideas to the Home Office and say, "Think about this"?

Nick Dyer: I am sure that the Home Office has looked at all options and policies, but ultimately decisions like that are in the hands of the Home Office, not for us. Clearly, anything that brings down the costs would be helpful to us.

Q45 **Chair:** Could I push you on Brian's specific point, which is whether there are any planned milestones or targets in place to reduce these costs? This is important. I will say we were sold a pup at the Budget, because we were told that, because asylum costs were coming down, that would mean there would be more ODA to spend on alleviation of poverty. While, of course, I want that to happen, I am not seeing that as a short-term gain. In your monthly meetings, are you seeing those costs going down or are they increasing? What milestones and targets have you put in place?

Nick Dyer: I am not aware of any formal milestones and targets. My expectation, not least because of the commitments made by the Home Office to reduce the backlog—because bringing the backlog down is going to be important—but also to reduce accommodation costs, because hotel costs are 50% of the asylum cost, would be that those costs would start coming down. It is really uncertain, because it depends on how many people are applying for asylum.

Q46 **Chair:** You did not answer my point. In the monthly meetings, have you seen a reduction in those costs?

Nick Dyer: Sorry if I was not clear. No, I have not seen milestones like that.

Q47 **Chair:** You have not seen a reduction in costs.

Nick Dyer: I have not seen any milestones predicting reductions in cost. We are seeing costs coming down. That is why we had a partial uplift in our funding this year from the Treasury.



HOUSE OF COMMONS

Q48 **Chair:** In these month-on-month meetings, you are seeing the cost of asylum seekers in-country dropping.

Nick Dyer: I have not seen the costs recently, but the implication of what is happening in our budget is that those costs are starting to come down, yes.

Q49 **Chair:** You have not seen them, what, in the last months?

Nick Dyer: I have not seen the latest monthly forecast.

Q50 **Chair:** That is a bit odd because it is your budget.

Nick Dyer: I know. Our finance team will have seen them, but I have not personally seen them myself.

Q51 **Chair:** Corin, you are money. Can you answer that?

Corin Robertson: I do not have the figure on the asylum costs coming down.

Q52 **Chair:** I am quite incredulous on this because this is your potential to deliver your commitments and you do not know what your budget is still. We are still expecting the costs to come down, but where is the incentive for the Home Office to actually do this? If it was my money, if it was coming out of my pocket, I would be screaming about this.

Nick Dyer: The overall cost is a function of not only what is going on in the asylum system and the Home Office but what is happening in housing, education and health. It is the whole system. Putting those costs and those forecasts together, there is a lag to them in terms of the system getting the information from local authorities and getting them back into the centre. I have not seen, and I do not think we can expect to see, real-time, up-to-date data on what is actually going on in terms of the actual costs of today. The commitments that have been made by the Home Office would lead to an expectation that those costs will start coming down.

Q53 **Chair:** Rather than necessarily being sold a pup, there was a sleight of hand that went on in the Budget, which I am yet to be disproved of.

Nick Dyer: The fact that our budget has just been increased to reflect both GNI and the reduction in Home Office costs—I will come back to you in terms of the proportion—is a practical example and demonstration that those costs have come down.

Sir Philip Barton: There is also a ministerial board, which has been re-established with the Chief Secretary to the Treasury and the Minister for Development to look at ODA expenditure across the whole of Government, including this aspect of it. I think the first meeting they are having, or they may already have had, is going to look particularly at in-donor refugee costs. I understand your question, but we absolutely are. The Home Office also has an incentive because some of the asylum costs are not ODA-able. It has to bring down the overall budget, so there



is an incentive on it as well, not just on us because it is our budget on the ODA side.

Q54 **James Naish:** You mentioned the £200 million to £300 million uplift for spending. When did you hear about that, if you are not getting ongoing insights into what money might come, and when will the next time be that you might hear about an extra increase?

Sir Philip Barton: We went through a process to make sure we could hit, against the GNI forecast, the full calendar year expenditure of 0.5% GNI, as spender and saver of last resort. In discussing with the Treasury what that figure was, what we as a Parliament needed to spend and whether we have enough money through the rest of the financial year, which is what our control total is, that produced a figure that led to the Chief Secretary saying that he would give the uplift Nick described. That is subject to parliamentary approval through the supplementary estimates process. That was when we had that.

In the Budget the Chancellor announced, we have had a budget for 2025-26 as a financial year, and that is what will no doubt go through. As we look at the end of next year, the 2025 calendar year target, obviously that will take account of actual outturn on in-country refugee costs, but also the size of GNI. I am sure that, as the Treasury does its normal financial management through the course of the next financial year, it will be keeping in touch with us around what the overall costs are, what those mean for our budget and what they are going to mean for what we are asked to spend in this calendar year to meet 0.5% in 2025. We have to manage the two different things: the calendar year target and the financial control.

Q55 **Chair:** James is still looking perplexed, even as you keep giving more words.

Sir Philip Barton: I am not surprised, because it is complicated. We are asked to manage the two different things. One is a GNI target in the calendar year and the other is a financial year control total, like any other Government Department. They are overlapping in different time periods.

James Naish: I share your view, Chair, that, if I knew that there was potential revenue that could be coming to me and my Department, I would be wanting to monitor that very closely and make sure that it is on its way and I understand how much is coming. It sounds like quite a trusting relationship that you are having with the Home Office for it just to do its work but you will ultimately benefit.

Q56 **Brian Mathew:** Could I come back to this issue of dialogue? You had said, "We have handed that over to the Home Office". I threw a kind of bone at you—an idea. I am a former aid worker, so I tend to look at things as an engineer and in those ways. Surely there could be some use in some ideas going the other way, especially from a development perspective, on how the Home Office might deal with some things.



Sir Philip Barton: We do have a dialogue. In the end, as Nick said earlier, it is for the Home Secretary, advised by Home Office officials, to decide how to run the asylum system. The Home Secretary has made a very clear commitment to bringing the asylum numbers down and therefore the costs, including the impact on our budgets. I am very happy to take away your suggestions and discuss them with Matthew Rycroft, as the permanent secretary.

Q57 **Chair:** Is the Foreign Secretary fighting this?

Sir Philip Barton: The Foreign Secretary is involved in the discussions with the Treasury and obviously with the Minister for Development on the overall costs and the impact on our budget. Also, he was fully aware of what we were doing at the end of last year to have the uplift to meet the 0.5%.

Q58 **Monica Harding:** I am coming back to the point you made that your partners and in-country deliverers had digested the news that we were back down to 0.5% rather than 0.7%. My worry is, therefore, that there is no push to get back to what is a statutory target of 0.7%. Is that your feeling, too? Are we stuck at 0.5%?

Nick Dyer: The Treasury was clear in the autumn statement what the rules were on the return to 0.7% and the expectation that, in the next Budget period, those principles would not be met. My expectation is that we will stay at 0.5% over the course of the next spending round.

Q59 **Laura Kyrke-Smith:** I would like to turn to the FCDO workforce briefly—I am conscious of time. You spoke to the Foreign Affairs Committee about this and talked about the fact that men in the FCDO are more likely to receive a bonus payment than women, which I think you had put down to probably some unconscious bias in the system. I would like to pick up on that and ask you to expand on what the FCDO is doing, if that is the case, to ensure that this bias does not limit the rewards and opportunities for women.

Sir Philip Barton: I will ask Corin to add to this because, if I remember right, since the FAC appearance, we have published our gender pay gap report, which shows progress but more still to do. There is still a gap, but it has fallen. It is also the case that, during the period that that reflects, the bonuses in the delegated grades were actually at a flat cash arrangement for everybody because of the cost of living pressures on individuals, so that meant that there was no possibility of bias. That is part of the reason why the figures improved. We are collecting data by area of business to understand what is going on and therefore understand where something has been out of kilter, and then holding ourselves and leaders to account as the way of driving further progress. Corin, do you want to add any more on the pay gap report?

Corin Robertson: We are making progress and continue to bring the pay gap down. In fact, we brought the median gender pay gap down from 9.8% in 2020 to 2.7% last year, so it is a big shift. As Philip said, it is a



mixture. There was the flat bonus, but we are also seeing increase in promotion of women into the SCS. We are making progress on more women into the senior civil service, which makes a difference against gender pay gap. We are not yet at 50% for the senior civil service for women, but we are further than we were. We have gone from 41.6% in 2020 to 45.7% last year.

Q60 Chair: Corin, there was nearly a 10% pay gap pre-merger. Has that come down so dramatically because a lot of the senior people who left were men?

Corin Robertson: It is a mixture of things that has helped bring that down. Partly, it is around the promotion of women into the SCS. Partly, it is around alignment. We did more to align terms and conditions and shorten pay ranges last year. Those things help us to bring up people at the lower end of the scale, and there is still a greater proportion of women in the low grades. Then, there is also the flat bonus that Philip mentioned. I do not think that we could pinpoint specifically the point that you raised, Chair, about senior development specialists leaving necessarily.

Q61 Monica Harding: Can I pick up on that point? In your highest pay quartile, the gender distribution is about 10% apart between men and women. It is not unique to you. It happens across industry and it is usually because women are leaving to have children and then not coming back into the top echelons. What are you doing to encourage those women back?

Corin Robertson: We are doing a mixture of things and it is that first level of SCS in particular where we are facing a real challenge, not just on gender but actually on other under-represented groups. We have an action plan that is targeted at gender and trying to identify the reasons that we are either losing women or not getting more women up into the senior civil service.

Like in any organisation, we think there are a mixture of things going on. One is, as you say, trying to encourage and support women in coming back into the workforce after taking parental leave. Flexible working is another area that we are really focusing on, in particular for areas of work in the FCDO that traditionally have been less flexible working, for instance work in the higher-security areas of the more national security roles. We are doing quite a lot to push on flexible working by default, where people want it for those roles. There is quite a drive on that.

Q62 Laura Kyrke-Smith: To ask beyond gender, if we look at, in particular, race, disability and economic background, what measures are you taking to improve diversity in those areas?

Corin Robertson: Again, we have action plans for race, for disability and for LGBT+ colleagues. On socioeconomic diversity, we are just starting to get a grip—as is the whole of the civil service—of the data picture and



HOUSE OF COMMONS

what that looks like. We are starting to develop interventions around that. Our next step will be an action plan on socioeconomic diversity.

On race, we do have an action plan. We have a target for 2026 to reach aspiration of 14%, which is the national average across the grades. We have met that at our director level in the organisation, but we have not met it at the level directly beneath that. We have met it for some of the lower grades. We are trying to target interventions around the specific grades where we are struggling to do that. So we have a race action plan.

An area where we are particularly trying to focus on is our black staff. We have set up a black employee association, because that area in particular on race is one where we are struggling. We are also doing a race culture inquiry this year to try to get to the bottom of some of the challenges that we are facing.

Q63 **Chair:** What about disability?

Corin Robertson: On disability, again, it is at the senior civil service level where we are struggling. Across all grades we are just about there in terms of aspiration. If you look at the whole of the workforce, we are more or less at the 13% representation, but we are really struggling on SCS in particular.

Q64 **Chair:** Why do you think that is?

Corin Robertson: We are trying to understand what is going on. There are a range of issues, one of which is around accessibility in the estate. We have a programme of work in terms of both our UK buildings and, as we are taking on a new building overseas, making sure that building is properly accessible from the get-go. We are also looking at what we can do to support staff working in the high-classification area on higher security, around helping staff who are visually impaired or need hearing support, but we need specific technology in the high-classification area. We are doing a number of things to try to support people with individual needs.

Q65 **Chair:** In your exit interviews, which I assume you do, do you ask people if there are reasons why they have not stayed within the service? I am just thinking that, if people are coming in at the lower levels but then are not making it to the higher levels, you obviously have an institutional block somewhere there, whether that is a physical one or a psychological one. Are you picking away at that as well?

Corin Robertson: We are. We do exit interviews, but I would say that not everybody is doing them, so we are trying to have a push on ensuring we do them and then collect the data. It is not as good as it could be. Our staff networks generally are very active, so they are very vocal in gathering views and feeding into my teams in the corporate area about the things that we can do.



HOUSE OF COMMONS

We also have a board champion for disability, one of my colleagues. He meets with me and my team and with the network regularly, and we try to work through the action plan to see what more we can do.

Q66 **Chair:** Is that a reality? Are people with disabilities coming in and then not making it up to the higher level, or is it just an anomaly, do you think?

Corin Robertson: In terms of data, I would need to check.

Chair: If you could, that would be great.

Q67 **Laura Kyrke-Smith:** It is just interesting that you are doing well at that senior level in terms of racial diversity, but in terms of gender and disability the challenge is the other way round and you are doing much better at the junior levels. If that is a fair characterisation, why do you think that is? When you look at race you are doing quite well at director level but less well at lower levels, which seems to be the reverse.

Corin Robertson: Sorry, that was probably me not being clear.

Chair: That would just be a person.

Corin Robertson: Yes, it depends. At director level we are doing well, but then you go to the level above that and the numbers actually come down again. It changes as the pipeline changes.

Q68 **Chair:** When are we getting this report? There is a gender pay gap report. When are we going to get to see a copy of it? Rather than asking you questions, can we just read it?

Corin Robertson: Yes, we published that in November.

Q69 **Chair:** Then I apologise for being a numpty and not reading it in advance of this. Are you doing ones for the other areas of equality?

Corin Robertson: Gender is the only one where there is the requirement across the civil service to do a pay gap report, but ethnicity is coming. We are expecting that requirement to happen across Government from this year and we will be undertaking that as well.

Q70 **James Naish:** I just wanted to move specifically on to the 2023-24 annual accounts. In there, there is a £1.1 million fraud case in south-east Asia relating to procurement. I just wondered if you could explain what that fraud related to.

Sir Philip Barton: I am going to be slightly cautious, because some of it is still possibly the subject of criminal investigations, but it is something we uncovered and immediately wanted to put in the accounts to be transparent about. It is, as you rightly say, about £1.1 million. What we did was to look immediately at what our best understanding was, through our internal audit team, of what had happened so that we could take action against those responsible. There has been disciplinary action,



HOUSE OF COMMONS

including dismissal. As I say, there may be potential for criminal action later on as well. I will not go into detail on exactly what happened.

We also looked at what this is telling us about potential vulnerabilities elsewhere. We then quickly looked at any lessons we needed to learn in terms of our process. It was basically a fraud around use of corporate credit cards. The thing we want to understand quickly is whether this was a one-off, enabled through individual wrongdoing, or whether there was actually a process problem we needed to close.

Q71 James Naish: How is the investigation progressing at this point?

Sir Philip Barton: It has included disciplinary action, including dismissal. We now have a complete understanding of what happened and have acted against the individuals responsible, but there is still an additional possibility of criminal action as well.

Q72 James Naish: When will we know more on that?

Sir Philip Barton: I will have to come back to you on that, I am afraid. I do not know off the top of my head.

Q73 James Naish: Are we expecting to recover those funds?

Sir Philip Barton: Possibly some, but it is normally pretty hard to recover in some overseas jurisdictions. It is not impossible. We will absolutely endeavour to recover as much as we can.

Q74 James Naish: Does that come from the aid budget, then? Does that mean there is less being spent on other funds?

Sir Philip Barton: That will not be ODA.

James Naish: It definitely will not.

Corin Robertson: Yes, that is right.

Q75 James Naish: There was a similar amount in terms of fraud in the 2022-23 annual accounts related to Sierra Leone.

Sir Philip Barton: Freetown, yes. I am happy to share the letter that I wrote to the PAC.

Q76 James Naish: Yes, we have seen that letter. Is there a concern that there is a pattern of this happening in overseas jurisdictions? What steps are being taken to try to prevent such instances?

Sir Philip Barton: That is exactly the right question. In Sierra Leone, it was about fraudulent disposal of fuel and oversupply, and that was the fraud. We immediately looked across the whole of our network. "Where are there similar fuel arrangements? What were the lessons out of this? What do we need to make sure was happening?" Then we looked at what the longer-term lessons were. We looked at disciplinary action about how you make sure that your local leadership is actually applying the controls and making sure they are in place in the right way.



HOUSE OF COMMONS

The truth is, in our global network of 280 posts around the world in 170 countries, we operate in some environments where fraud is more across the board and more prevalent than others. We will always want to do our best to make sure we minimise the risk of fraud, but that will never be zero. We are investing more in our overall effort on fraud, in terms of awareness, training for senior leaders and managers, including our heads of mission and their deputies, but we also have a network of fraud liaison officers. There are now over 100. We have established and increased the systemic approach across the whole of our overseas operations to counter fraud.

Q77 **James Naish:** Are you are satisfied that we are making progress overall?

Sir Philip Barton: We are making progress but we have an action plan. There is more to do.

Corin Robertson: There is more to do. We need to keep going, because there is that constant risk. Overall, we know we meet the 3:1 return on investment in terms of fraud prevented or recovered versus what we are investing in our anti-fraud effort. We need to keep going.

As Philip said, we have mandatory training on fraud prevention for all staff in the organisation, which they have to do. Their IT system makes them do it. We have constant reminders and we have ways of monitoring compliance on that. That is helping in terms of building capability and awareness, as well as the fraud liaison officers. We are building that capability across the network but we need to keep going.

Q78 **James Naish:** Would you share the latest compliance data with us?

Corin Robertson: Yes.

Q79 **David Mundell:** The last time that you were here, Sir Philip, I found you a little bit evasive around the issue of Abercrombie House, which we were discussing. It then turned out that within about 24 hours, the FCDO made an announcement that it was leaving Abercrombie House to go to other premises in Glasgow. I wonder, given that those plans do not seem to have unfolded as they were originally announced, if you could give us an update on exactly where we are in relation to both Abercrombie House specifically and the FCDO's intention to remain significantly based within Scotland.

Sir Philip Barton: I can understand why you thought I was being evasive. We were near the end of finalising the announcement, which we wanted staff to hear first. If I remember rightly, we had not quite got there when I appeared in front of you, so I apologise if I sounded evasive.

David Mundell: It was very professional of you.

Sir Philip Barton: We did our best to inform the Chair once we were ready to do so.



Chair: You are forgiven but not forgotten.

Sir Philip Barton: On where we are, I will be honest with you: the plan remains the plan, including the very significant uplift of the number of people from just under 1,000 to 1,500. It has taken a bit longer than I would have liked to identify the building in central Glasgow to move to. We are nearly there. The business case has gone through our processes and through our Ministers. It is with the Treasury, so it is imminent. I cannot look you in the eye and give you an exact date because it is with the Treasury, as it were.

In the meantime—and Nick should add to this, because he has been leading a lot of this work—we have been going through the organisation to work out what the roles are that we would now do out of Scotland as we significantly increase our presence, and thinking about, as an organisation, how to make a success of that. We want to be able to offer a whole career out of Glasgow, not just a silo of this or a silo of that. We have done some cross-organisation work on what that would look like as we then begin to move into the building once it is ready. Nick, do you want to add anything?

Nick Dyer: That is a good description. This is all part of securing our long-term commitment to Scotland.

Q80 **David Mundell:** Within that—just going back to what you were saying, Sir Philip—one of the issues that previously emerged was that the pattern of grades of the work available was not a balanced one, so it was therefore not possible to progress. If you wanted to progress, you would have to leave Scotland.

Nick Dyer: If we want somebody to have a full spectrum of possibility career in Scotland, we need to do two things. One is to get more senior jobs up there. At the moment, we have 20 senior civil servants up there. We want to move an additional 50, so we are going to get that up to 70, which is quite a significant uplift, but we cannot do highly-secure work in Scotland at the moment because we do not have the high-side capabilities. We have to build that as well.

Q81 **Chair:** When the Committee visited—I cannot remember how many years ago—we were told that that facility was being installed. Two, three or four years on, why has that not happened? Is Scotland not worth it?

Nick Dyer: It is certainly worth doing. In Abercrombie House, if we were to do it, we would have to basically re-engineer all the power supply.

Q82 **Chair:** In the new building, will that be in there from day one?

Nick Dyer: In the new building, we are starting from a blank sheet of paper. It is going to be a lot easier to build a bigger capability in the new building.

Q83 **Chair:** But that was not the question. Will the secure room facility be there in the new building?



HOUSE OF COMMONS

Sir Philip Barton: Yes.

Nick Dyer: Yes.

Q84 **David Mundell:** As the Chair has indicated, we were hoping to visit Abercrombie House and the staff in Glasgow. What are they going to tell us? Are they going to give us a positive message in relation to how this process has developed and been managed?

Sir Philip Barton: I do not want to speak for them because they should speak for themselves.

Chair: They usually do.

Sir Philip Barton: I went up and it was on the screen and announced we were moving to Glasgow. It is fair to say it was a mixed reception, including in the moment. I understand that. If you live in East Kilbride, close to the current building, that is obviously very convenient, although if you actually look at where our people live overall a lot of them are spread around. In some cases central Glasgow is equally or more convenient. It is also a much better place to recruit from, if you look at what expertise we could very helpfully recruit in that area, for example cyber-security.

People basically now know we are moving. My instinct is that, on average, more people are in favour of the move than against. I am not saying everyone is supportive. There is a degree of frustration, which I totally understand. It has taken a bit longer than we would have hoped to actually say, "This is the building and this is when it will happen". That is what you will hear. I was there before Christmas and talked to everyone there. That was my sense of where they are and what you will hear. They should speak for themselves.

Q85 **Chair:** So you have a building.

Sir Philip Barton: We have a building in mind, yes.

Q86 **Chair:** Do you have a lease on a building?

Sir Philip Barton: We have a building in mind. We need the Treasury to sign off the business case and we need to complete our commercial negotiations.

Q87 **Chair:** So you do not actually have a building yet.

Sir Philip Barton: We are in the end game of Treasury signing off and signing on a dotted line.

Q88 **Chair:** You do not have a signed lease.

Sir Philip Barton: Not quite yet.

Q89 **Chair:** So, if you are going to have to do building work as well, this could still be years.



HOUSE OF COMMONS

Sir Philip Barton: It will take some time to finish the building.

Q90 **Chair:** These people have been in limbo already for 18 months, is it?

Sir Philip Barton: Well, they have carried on working where they were already working. That is the way I have described it.

Q91 **Chair:** Yes, but they do not know if they are going to have to move, relocate, change their children's schools. This is a lot you are already asking of very committed, hard-working staff.

Sir Philip Barton: We have a director up there who leads our overall approach to this and works out of Abercrombie House, Colin Martin-Reynolds.

Chair: I do not doubt that.

Sir Philip Barton: He engages intensively with colleagues working there and keeps them absolutely informed with the state of progress of the overall programme, including identifying a building and likely timescales.

Chair: It is amazing that two Departments can be merged in a matter of weeks, yet when moving from one building to another we are 18 months since the announcement was made and we still do not have a building.

Q92 **David Taylor:** You have a great record on aid transparency. What can other Foreign Ministries learn from us?

Nick Dyer: We are pleased that we got back our global rating of "very good" in 2024. That was a function of getting our dev tracker back up and running. We publish monthly all our ODA spend to IATI standards. We have business cases published, and country plans published as well. That was how we got back to "very good".

My learning for other Departments would be twofold. One is that you have to get the systems in place to do it. The reason why it has taken so long to get back our standard was because of our reintroduction of the new finance and HR system.

The other is that, as with other countries, we are not the only aid spender. There are other Departments that spend aid money in the UK. This year we are going to do a UK aid transparency review of other Government Departments. We are going to launch that this month, which will take until about the summer. We are going to do a review of their compliance in publishing ODA spend to IATI standards. We will be doing a qualitative review and identifying recommendations for improvement. That is the key because you cannot do it only in your aid agency. You have to do it across the whole of Government.

Sir Philip Barton: I observe that, pre-merger, the old FCO was only at "fair", so actually it is a merger benefit. The old FCO's expenditure is now up at where old DFID was, at "very good". We had a bit of a dip because



HOUSE OF COMMONS

of the drag of the FCO approach and now, across a wider range of government expenditure on ODA, we are very good on transparency.

Chair: Thank you. You are done. Thank you ever so much. We really appreciate the amount of time that you have given to us and the work that all of your teams do. I am very, very proud, as I know the Committee members are, of the FCDO team. You have such tenacity when faced with the biggest problems around the world, and you just get on and do the job. You are a great representation of us all, so thank you. Please pass that on to the staff. Thank you very much.

Examination of witnesses

Witnesses: Rt Hon Anneliese Dodds MP and Melinda Bohannon.

Q93 **Chair:** Hello and welcome. Minister, I do apologise; we started late because, like you, we were in the Chamber for the urgent question, so thank you very much for making the time for us today. Committee members all have questions that they want to ask you. You have been in your post now for six or seven months.

Anneliese Dodds: Yes, six months.

Chair: We have seen you all over the world and in the Chambers, so hopefully you have a good idea of what your role is and what your priorities are. We are very interested to pick away at those with you.

Q94 **David Mundell:** Welcome, Minister. What are your overall priorities for the UK's development programme during your term of office?

Anneliese Dodds: I will be delighted to set them out in just one moment. If you will permit me, Chair, I just want to say, first of all, what a huge privilege it is for me to be in front of you. I really mean that. Doing this job is a dream come true for me. It really has been such a privilege, so I am very excited to be having this session with all of you. I also want to thank the Committee, because you have been very generous to me at various points when I have asked for your advice and input, particularly before I went to the West Bank. Thank you.

In terms of my priorities, it is very clear to me that the UK has to have a modern development policy. We have to restore our reputation on international development. Obviously, my party in our manifesto committed us to working towards a world free from poverty on a liveable planet. How do we do that when we know that the world is currently a very complex and contested one, where we have, as you all know in depth—you are all experts on this—more countries in conflict than at any time since the 1940s, we have the climate crisis really hammering millions of people around the world, and we have humanitarian principles under so much pressure?



I started from a position of saying, first of all, we need to ensure that the UK's development policy is run through modern partnerships with the global south, partnerships that are genuine and that are respectful. We also must use the expertise that we have within the UK, and it is enormous expertise when it comes to development—it is huge. We also have that expertise when it comes to research, technology and science. Of course, we have the City of London as well when it comes to catalysing the finance that is necessary. I set that framework out in a Chatham House speech in October. Since then, we have been working on refining our priorities that come out of that framework.

To set them out really quickly—hopefully you will have seen them reflected in some of the decisions we have taken; we might move on to that later—our priorities have been, first, making sure that the UK is working with our partners to promote jobs and growth in those global south countries. That is what they say, time and again, that they really need to be working with us on. Secondly, we are unlocking access to finance and to investment. That requires deep and wide reform of the global financial system, so that has been another priority for us.

Thirdly, we are working to lift people out of crisis situations—I know we will go on to talk about a number of them—but also ensuring people have the resilience that they need so that they are not falling into crisis and not having to move out of their home region and being pushed by crisis to do that. Fourthly, we are preventing and reducing the drivers of conflict. Finally, we are supporting education and health systems, particularly domestic health and education systems in different countries.

Now, while we are delivering those priorities, women and girls and climate have to be at the heart of all we do, but to me that is fundamental in any case to a modern development policy. Thank you very much for that question.

Q95 David Mundell: In the context of funding, there has always been an ongoing debate between bilateral and multilateral funding. Do you have a view as to where the right balance applies there? We are heading up to two very important replenishments, the Global Fund, which I raised with you in the Chamber, and Gavi.

Anneliese Dodds: That is such an important question and one that I have been thinking about really deeply. We need to take the right decisions for the medium term, but for the long term as well. That does mean making sure that we get that balance right. For example, it is very important that when it comes to multilateral funding, we ensure that we are also reflecting our partners' concerns within that.

Where we have decided to boost our support for multilateral mechanisms—a good example of that would be IDA, where we said that we would be increasing our contribution by 40% to the World Bank's fund for the poorest countries. We made sure that in doing that we were articulating very clearly to the World Bank that we expected it to do much



HOUSE OF COMMONS

better at supporting fragile and conflict-affected states, for example, and economically empowering women. I am pleased to say that we did get a long way along that path with the World Bank.

At the same time, we need to make sure that we have those bilateral programmes that are really targeted at our priorities as the UK and delivering overall for that goal of poverty reduction. I have seen that working really effectively in many different countries, but we need to do more. We have to be bringing this together more.

You will know, of course, we have that review of development capability and capacity that has been running with Minouche Shafik. One of the issues that she has been looking at is how we can get that co-ordination working really effectively, so that when we are supporting multilateral mechanisms like those in health, for example, which I know you have been a great champion of, that is integrated with the work that we are then doing bilaterally and regionally, too, because we are increasingly going to see that there are regional mechanisms engaged on many of these questions. We need to make sure all that is joined up.

Q96 Chair: Minister, you have given us a vast amount of information in a very small amount of time. Colleagues want to pick away at some of that. The first thing I want to pick away at is the IDA uplift of 40%. I was surprised that you did that. I did not know that that was something that they were lobbying for or was your intention. What is being cut as a consequence of that?

Anneliese Dodds: As you probably heard in the previous session that you had with officials, because of the decisions that have been taken by the Chief Secretary to the Treasury in discussion with us, at year-end Darren was able to say—subject to the agreement of Parliament, as with any such financial measure—that the FCDO will receive an ODA uplift in the region of £400 million for capital financial transactions and £140 million resource budget for 2024-25.

Some of that is because of the late increases to GNI, which, as you all know in spades, we have to account for in terms of our percentage commitment, but it was also because of reductions in other Government spend, including in-donor refugee costs. That has meant that we are not in a situation of having to cut measures.

It is really important that you have raised this, Chair, because I have very much sought to learn from what has taken place in previous years. We have had a situation where there has been a lot of turbulence around aid spend. I am really grateful to my predecessor, now in opposition, who briefly served as the shadow Foreign Secretary, Andrew Mitchell. He has been really generous with his time. I have had a lot of good discussions with him. He had to deal with a situation where there had been very unpredictable increases in in-donor refugee costs in particular. That had led to programmes being cut, some of them right in the middle. I do not want us to ever end up in that situation again. That means that we are



determined to have a longer-term approach where we are really clear about what we are certain that we will be able to fund into the future. That is fundamental to the kind of partnership that I was just talking about a moment ago. We are determined to deliver that so that we no longer have that kind of unpredictable situation.

We are taking decisions about what we will and will not prioritise, of course. You would expect us to do that as part of the budget management that is necessary, but also to target our effort in a world where that need is so great.

Q97 Chair: If the 40% is from this additional money rather than cutting the existing budget, should we take that as an indication that you are moving to multilateral funding and taking away from the project funding, because it was the project funding that got the most savage cuts and caused the most decimation when their money was taken away? Is that how you are looking to prevent that very disruptive impact of funding changes?

Anneliese Dodds: No, we are seeking to ensure that, where possible, we see continuity within the bilateral programme. The reason for that is because of what I talked about before. There was a lot of damage created to relationships. In some cases, we saw staff having contracts terminated and that kind of thing, but also a direct impact on provision.

I am determined we do not end up in that situation again. That has meant, for example, when it comes to the bilateral allocations for 2024-25—and they will be published in due course; I know that the Committee will be interested in that—that I sought to ensure that we are responsive to new concerns but that we are not making big, significant changes, because I do not want to see that kind of disruption. We are now looking forward to the longer-term spending review where all of these decisions are being viewed in the round, so that we can get the balance right for the reasons that were set out a moment ago.

Q98 David Mundell: In my initial question I did not specifically reference the Nutrition for Growth Conference, because I understand that you are going to come back to us as part of our SDG2 inquiry. In relation to your priorities, do you intend to attend the conference in person?

Anneliese Dodds: I would love to attend the conference in person. I do not think we have sorted out our exact arrangements around it, but we are certainly preparing for that Paris conference right now. I have had preliminary discussions around it and the work that we will need to undertake with partners. You and other committee members will be aware that we worked hard with the Brazilian G20 leadership around its Global Alliance against Hunger and Poverty. Some of the work from that is going to be really important for that Nutrition for Growth Summit. I know that is of great interest to yourself, but I just wanted to mention that for the interest of other Members as well.

Q99 David Taylor: I have a very quick question to follow up on the Shafik



HOUSE OF COMMONS

review. I just wondered if there was an expected publication date for that, and if there was a sneak preview or any further details you could give about where it is headed.

Anneliese Dodds: Thank you so much for that question. Minouche Shafik has been focused on issues that I know have been of considerable concern to the Committee around capability and capacity, really making sure that we are doing all that we can to restore our development reputation, as I mentioned. She has been working at pace on that. Her report is going to be to me and to the Foreign Secretary; it is to us, rather than a book that might be published by a publisher or something like that.

We will of course seek to ensure that the Committee is informed about the findings of that, particularly given the issue of how we really can be putting our best foot forward, ensuring that there is value for money, but also that we are catalysing that UK expertise on those issues. I know you will want to know what we are drawing out of that review, so I will definitely make sure that you are kept informed of that.

Q100 **Chair:** I am going to push you further on David's point. What are the timescales of when you are anticipating it? Is there the possibility for this Committee to have a private session around terms of reference?

Anneliese Dodds: On the latter, that would be a really good idea. I do not have any problem with that at all—I am just looking at officials—but that would be sensible. At the time when we commissioned the review, some of those principles were set out, but it would be good to talk about that together, given the Committee's expertise in this area. That would be really sensible.

When it comes to timings, we are working on this right now. I do not want to lay any hostages to fortune, but we want to move ahead speedily on this as a new Government. It is really important that we make progress as quickly as possible.

Q101 **Chair:** When I gave evidence the commissioner was looking at doing the report over the Christmas break and getting it to you now. Is that still the timescale?

Anneliese Dodds: I have been having discussions with Baroness Shafik throughout the whole process, so obviously I have seen a considerable amount of material from her already. I hope that we would be able to both have that private discussion that was mentioned before and share how we are going to take this forward with the Committee as soon as possible.

Chair: That is great. That sounds like you already have the report.

Anneliese Dodds: I am not going to spike anything. I certainly understand her thinking. I understand what she is focused on. I know who she has been speaking with. I am very grateful indeed to those



HOUSE OF COMMONS

Committee members who have given up their time, and to the many experts who have spoken with her. It really has been a valuable exercise, and now we need to really be focused on how we can drive the change forward that is necessary.

Q102 David Reed: I will ask a similar question to the ones I asked the FCDO officials. Development has become quite contentious now in the UK. The issue is that we dive straight into the priorities without outlining the high-level view of why we are doing this in the first place. It is very difficult to then communicate to the UK public why taxpayers' money is being spent on this. What do you think development is for, for the UK, and crucially why should the UK public care and why should they be spending their money on it?

Anneliese Dodds: That is such a good question. It is something that I am really passionate about as well. When people realise that back in 1980, about 50% of the world lived in extreme poverty, and now about one in 10 people in the world live in extreme poverty, they can see that we can make progress together. When the UK works in partnership with other countries on development, but in other areas as well such as trade, other aspects of economic development, conflict prevention and on facing up to the climate crisis, we really can deliver change. The British public know that.

When you look at polling that has been conducted, you can see quite clearly that the British public support the UK working with other countries on these challenges. They want us to be working on partnership. They believe that is important. I agree with them. They want us to be focused on jobs and growth. They also know that when there is greater global growth, that benefits our country, too. That would be my answer.

There are certain things that as part of that answer we should not be doing, which I feel really strongly about. There has sometimes been a pattern of talking about a raw figure of money that is going to a particular place without explaining why the UK is engaged, exactly what we are doing, and how it is going to make a difference. We have to be crystal clear on that. I believe that when we do that, the UK public are very supportive of this. Time and time again they have supported that activity.

Q103 David Reed: I will push back very slightly on that. I am sure, as I have said before, that many, many MPs here will have those same conversations with their constituents. That narrative is changing very rapidly. When you look at things that are happening in the UK, such as the cost of living crisis where people are worried about their own money, they are concerned about their money being sent overseas. There needs to be a radical shift to explaining why we are spending money on international development. I am still not hearing that cohesive narrative for why we have all these different priorities and how it benefits the UK public.



Anneliese Dodds: I certainly agree that there has to be clarity. That is very important.

Q104 **David Reed:** That is what I am looking for at the moment, Minister.

Anneliese Dodds: As I said, the most important thing is to show that we can make that change, that we have made it before and that we are making it right now. If we just set out figures of money, as I said, I really do not think that helps, but as a corollary to this we have to be absolutely focused on ensuring that taxpayers' money is being spent where it is needed, when it is needed, and in a way that will genuinely achieve our outcomes.

I have been focused on that, as you would expect, as a Minister. I am absolutely determined to ensure that we have value for money. I know that is of great concern to the Committee as well. In fact, you have just been working on this. I have just made sure that we supplied a response to you on that issue. That is really important for me as well, because quite often people's concerns may be around whether their hard-earned taxpayers' money is going to be used in a way that really makes a difference. They are right to be concerned about that, and that is why that value for money guarantee is so important.

Q105 **Alice Macdonald:** Just to go back to the question of multilateral and bilateral spending and your priorities, obviously we make our decisions as a country, but we are going to see a change of Administration in the US, which is the largest donor by volume. Admittedly, less of its aid goes to multilateral aid, but President-elect Trump had previously proposed pulling out of the WHO and there were 20% cuts proposed under the last Administration. Are you concerned about the impact that may have on where we are putting our money and particularly the effectiveness of multilateral aid? Have you had conversations already with counterparts at USAID about how that might impact the effectiveness of our programmes?

Anneliese Dodds: Yes, I have had a number of discussions with counterparts at USAID on a number of issues and I am very grateful to them for their time. Of course, the UK has worked with a whole variety of US Administrations of every political stripe. We have always done that to work together, and that will continue, but at the same time we as the UK must have that clear set of priorities for ourselves on international development, as I said before, working in genuine partnership with the global south, which means having the priorities that I just set out a few moments ago. I am being very clear about what it is we believe our country can be delivering and how we can use our expertise.

When it comes to the current US Administration and the subsequent one, we have seen that under the previous Trump Administration there was a focus on jobs and growth. We share that focus on jobs and growth. From the incoming US Administration, there has also been a focus on saying that they want to engage in conflict prevention and on ending war. So do



HOUSE OF COMMONS

we. We will ensure that we work together with other nations, whether that is the US or many other countries that we will be seeking to work in partnership with, so that we can deliver that manifesto commitment of building a world free from poverty on a liveable planet.

Q106 **David Mundell:** You have two roles, because you are also the Minister for Women and Equalities. How do you balance those roles? Are they complementary or does it challenge your time allocation?

Anneliese Dodds: The reason why I am smiling is that I have had so many amazing experiences since I came into my role. One of the most moving was when I was in Indonesia with a gathering of female politicians from all over Indonesia of all kinds of backgrounds. One of them said, "I am really pleased that the UK has a Minister for Development and for Women and Equalities. We should have one, too". I said, "That is great. That is really brilliant".

Q107 **Chair:** Is that how you see them, as interconnected rather than two separate roles?

Anneliese Dodds: Yes, most definitely. As I mentioned at the beginning, in order to have a modern development policy that is effective, women and girls must be at the heart of that development policy. Otherwise, if we do not include women and girls, there is no way to create economic growth, no way to have an effective healthcare system and no way to face up to the climate crisis. That applies when it comes to other areas of equality, too. The two actually marry very well together.

When we talk about partnership, it is important that we are clear that that is an equal partnership. The reason why I mention that is that we clearly want to ensure, when it comes to women and girls, that there is continuing support for sexual and reproductive health and rights for women's healthcare. I can genuinely say that, when I have those discussions with partners, we have not got this all right in the UK. We are working hard, because we have to improve women's health provision in the UK, for example. We have to make sure that we are halving violence against women and girls in the UK. We are working really hard on that. We have to do more on it. I can be clear that we as the UK need to make changes there. That is very important, actually, if we are going to have that genuine conversation—one that is not lecturing, is not one-sided, but is genuinely listening and working together in partnership.

Q108 **David Mundell:** There are big challenges, because certain countries are moving backwards in relation to LGBT+ rights. The issue of providing help and support, yet at the same time not supporting the policies and environment that the Government on the ground are creating, is a big challenge.

Anneliese Dodds: Yes, I agree with that. It is critically important in those circumstances to speak very openly and honestly. As I said, that means acknowledging where we need to make changes in our own country. That has also been the case with racial equality and, indeed,



LGBT+ equality, where we are seeking to make changes as well. Without that authenticity, openness or transparency, it is impossible to have those kinds of conversations, but when you start from saying, "We are all on a journey on this", you can get far further.

Q109 **Monica Harding:** Do not you feel that if two issues are of such critical importance, they should have their own Ministers?

Anneliese Dodds: We have more than just me, of course. We also have Bridget Phillipson. We have Seema Malhotra working on racial equality and Nia Griffith working on LGBT+ people. We have a number of Ministers who are focused on these issues, and rightly so, on equalities matters. They are embedded within our missions for Government. That is ensuring that we are determined to deliver for equality, but also, as I said, for development. I genuinely believe that, if we do not consider the role and potential of women and girls from the beginning of development policy, it will simply not be as effective as it needs to be. I certainly make no apologies for saying it is right that they are brought together.

Q110 **Chair:** Minister, all the examples that you gave just then are great, but all of those women have very busy portfolios as well. Is it any more than a tick-box exercise that they have those briefings? How can they possibly give the attention and dedication that is needed for disabilities, for example? I hear what you are saying about overseas, but women and girls in this country also need a very powerful advocate, I would say a full-time one, if not a couple of full-timers working on just this, because across the world we are seeing rights being rolled back at rapid speed. Is that something that you are trying to advocate for in this Government, rather than just seeing them as a nice-to-have on someone else's portfolio?

Anneliese Dodds: It is certainly not the latter; that is for sure. I would genuinely say to members of this Committee, "Judge us on what we deliver". You will see that we have been delivering on all those areas.

Q111 **Chair:** But you might be able to deliver double if you have two people.

Anneliese Dodds: For me, what is important is whether we are actually getting on with the job and making those changes. I felt it was critically important, when I attended the cross-Government committee that was set up on our mission to halve violence against women and girls, that I could talk about the UK expertise through the What Works programme around reducing violence against women and girls in a number of African nations.

It was important that I could talk about that and the fact that we need to learn from that when we are developing our mission within the UK, but, equally, I could apply the learnings from what we are doing here to our programme around countering violence against women and girls internationally as well. I genuinely believe that we are making progress on this. I hope that the Committee will hold me to account on this, and



HOUSE OF COMMONS

that the Women and Equalities Committee will hold me to account on women and equalities issues as well.

Q112 **Monica Harding:** Turning to money, Minister, were you satisfied with the ODA settlement in the autumn Budget?

Anneliese Dodds: Every single Government Minister will always say that in an ideal world there would be limitless resources. The reality is, unfortunately, that we have had a situation where we have had that £22 billion black hole. I do not need to rehearse this, because you all know it. We are working really hard to get our country on to a more fiscally sustainable trajectory for the future. That has led to the decisions that have been taken by the Chancellor.

However, I am encouraged by the fact that, as I mentioned, the Chief Secretary to the Treasury has agreed, subject to parliamentary approval—the MPs in this room and all the others—that there will be that uplift in ODA for 2024-25. We are ensuring that we have a much more stable approach in financing for the future. That is really important. Of course, we have a manifesto commitment to reach 0.7% being spent on official development assistance, as fiscal circumstances allow. That is what we are aiming towards. For me, the absolutely fundamental thing in the short to medium term, and then into the long term, is having that greater stability and predictability. That is what our partners have said to us, time and again, that they need.

Q113 **Monica Harding:** Part of the £22 billion black hole was actually ODA spend on in-country refugee costs. The figure was £2.6 billion. I am interested in how the 0.5% of GNI was arrived at. You, the Chancellor and the Prime Minister vigorously resisted the two fiscal tests in Parliament when they were proposed by the last Conservative Government. The Chancellor argued that the simplicity of the 0.7% commitment is that it reflects difficult domestic conditions, and in fact the Prime Minister called it “slippery” and thought it would lead to an indefinite ODA cut. We have just spoken to your two officials, who tell me they do not expect to get into the position of 0.7% because the OBR says they cannot under the fiscal rules that your party so vigorously argued against. Why choose those fiscal rules? How did you arrive at the 0.5% GNI?

Anneliese Dodds: The 0.5% was the decision of the previous Government, so that was already the inheritance that we received. If you are asking me whether I wish that we were in different fiscal circumstances, of course I wish that. This is not the only area where an incoming Government would want to see the finances being in a better state. That is clearly the case, but that is why we have been taking that action to get our finances on a much stronger footing for the future.

I suspect just about every Select Committee will be having a similar discussion, but perhaps the difference from previously is that this Government are really determined to get our economy into a situation



HOUSE OF COMMONS

where it is more sustainable into the future. That will mean taking some difficult decisions that some parties may agree with or not, but we are doing that so we can be in that stronger position in the future.

Q114 Monica Harding: It is not a question on the circumstances; it is a question on the fiscal conditions that the Government have chosen to use to set the 0.5% and not yet get to the 0.7%. How did you arrive at that 0.56% that we are at currently and where is the ambition to get to the 0.7%?

Anneliese Dodds: The ambition is within our manifesto. It is a manifesto commitment that we reach it as fiscal circumstances allow. Those fiscal rules were set out by the Chancellor; she set them out as the means to ensure that we would be genuinely growing our economy, but, above all, ensuring that our fiscal circumstances are more stable into the future.

Q115 Chair: Minister, can I pause you there? We are getting some confusion over two sets of fiscal rules. You are talking about the fiscal rules for the economy. Monica is talking about the fiscal rules that were set for when the last Government felt able to go back to 0.7%. If I could quote to you, this was the then shadow Chancellor—now Chancellor—in July 2021 on the debate when the Government and Parliament voted to cut GNI and put the fiscal measures in place. She said, “These are not tests to go back to 0.7% of GNI spent on overseas aid; they are tests to stop that ever happening under a Conservative Government again”. I find it quite curious that, after saying that, the then shadow Chancellor has now adopted the same fiscal rules the last Conservative Government put in place. You are telling us that the Government are committed to going back to 0.7%, even though she said that, under the rules you have taken on, that is not possible. Monica, am I correct?

Monica Harding: That is right.

Anneliese Dodds: Yes, there is confusion here. It is within the International Development Act 2015 that the overall framework is set, but within that Act the precise fiscal rules are not fully set out.

Q116 Chair: The Conservative Government in 2021 brought forward two tests, which are the fiscal rules we are talking about.

Anneliese Dodds: Yes, which were their tests.

Chair: The now Chancellor said it was impossible.

Anneliese Dodds: We have been clear that the fiscal rules are only one expression of Government’s policy. We are working really hard to create the conditions so that we can grow our economy and so that we can deliver across a whole number of areas.

Q117 Chair: Why not just change the fiscal rules? You do not have to adopt the last Government’s fiscal rules around the test to get back to 0.7%, so why not just change them? You are in government now. You do not have to follow them.



HOUSE OF COMMONS

Anneliese Dodds: We have changed a number of rules in different areas, but we will always do that in a way that is fiscally sensible.

Q118 **Chair:** We are specifically talking about this area.

Anneliese Dodds: We never want our country to be back in the position that we were in previously.

Q119 **Chair:** None of us around the table would want that. We understand that. What Monica is trying to get at is why you have adopted the rules the Conservative Government put in place, which our now Chancellor said meant we would never get back to 0.7%?

Monica Harding: They are rules that you vigorously opposed, as did the Prime Minister and the Chancellor.

Anneliese Dodds: Well, we really are determined to ensure that we can get to 0.7%. That is a manifesto commitment.

Q120 **Chair:** It is hard to see that happening.

Anneliese Dodds: There are many commitments that we have made as a Government that we really want to deliver, but we are hampered by an inheritance that has been extraordinarily poor fiscally.

Q121 **Chair:** Well, you are hampered by fiscal rules.

Anneliese Dodds: We will keep working towards a system for the public finances that is far more robust for the future, one where we really can fund our priorities at the level that we want to see. That £22 billion black hole has inevitably had a significant impact. As I said, I am pleased and encouraged by the fact that we have seen that uplift for 2024-25 in ODA terms. That was correct. I am pleased the Chief Secretary to the Treasury made that decision, of course subject to parliamentary approval.

I am sorry that I keep underlining the point, but the most important thing that I have heard from partners has genuinely not been about the exact percentage; it has been their feedback about there having been rapid change. That is what they have said was the big problem before, and that is what I am determined to avoid.

Q122 **Monica Harding:** I want to talk about the ambition. This is something that we spoke to the officials about. The rhetoric does not seem to match the fiscal rules adoption, but we will leave fiscal rules to one side for a moment. Given that there has been a UK aid cut, how will you meet your ambitions to reset the UK in the development stage?

Anneliese Dodds: There previously were cuts. As I just set out, for 2024-25 we have seen an uplift. It is really important that we restore the UK's reputation on development. When I have been around the world—whether that is in global summits, Paris, Hamburg, New York, D.C., Baku, or whether it has been in the different field visits that I have undertaken—I have heard the same phrase being said. I am not going to get overexcited about this, because we have to work hard to make sure



HOUSE OF COMMONS

this is sustained, but I have heard the same phrase being used back to me. That phrase has been, “We understand that Britain is back now”.

We need to make sure that is sustained. We are absolutely determined to deliver on that. Of course, that is a cross-government determination that we would reconnect our country with the rest of the world. The Prime Minister has been clear about that, as has the Foreign Secretary, and I certainly have been on development as well. That has led to the decisions that we have taken.

I mentioned IDA. We also doubled our support to Sudan, when it comes to the humanitarian side. We have been pushing very hard on deep and thorough reform of the global financial system. For example, we made sure the World Bank has embedded climate-resilient debt clauses in its lending. That was a decision taken by this Government. On those areas, we are really seeking to ensure that there is UK leadership, that Britain is back, working with other countries, working hand in hand with our partners, but that we can demonstrate and renew that reputation for UK international development once more.

Chair: Minister, I am giving you a choice. We love what you are telling us and we really appreciate the depth, but it is leading to long answers. Either could we have shorter answers, or can you accept that we are going to run over the agreed time?

Anneliese Dodds: I do not mind, but I do not want colleagues to be put in a difficult position.

Chair: If you do not mind, let us go ahead.

Q123 **James Naish:** Thank you, Minister. I just want to turn attention to in-donor refugee costs. As you will know, they have increased from £0.6 billion in 2019 to £4.3 billion in 2023. A significant part of your Department’s budget is heading in that direction. We have not seen any specific plans yet about how that is going to be reduced. Are there such plans actually in development?

Anneliese Dodds: Absolutely—the Home Secretary has set out a whole number of plans. She has not just set out the plans; they are being actioned right now. I will not go into the detail of them because that would be more for the Home Affairs Committee. They have been particularly relevant to in-donor refugee costs, which cover the first year, making sure that there is a far speedier processing, for example, than we have seen, and so forth. Many changes have come through, really quite quickly, from the Home Secretary.

However, of course, we are in this Committee, so you probably want to know what I have been doing on this. Given that those costs are from within the ODA budget, I have been really determined to ensure that we are working really hard together on getting those costs down. I am pleased to report to the Committee that the Chief Secretary to the Treasury is very keen to work together with me on this. We are re-



HOUSE OF COMMONS

establishing an ODA board, where we are going to scrutinise this. We are going to make sure that we track progress against it. We have seen a reduction in those costs, as I mentioned before, which helped us towards that uplift.

I do not want to go overboard, but we are really determined to make sure that the encouraging developments that we have seen so far are sustained so that we do see that reduction.

Q124 James Naish: We spoke to the officials beforehand. The Committee was surprised to hear that they were not really tracking the impact of the changes. They have had that £200 million to £300 million extra uplift in funds, which is a good thing, which is going towards extra projects and programmes. If that was me, and that is my Department, I am going to make sure that I get that next £200 million to £300 million in six months' time, 12 months' time, whenever that might be.

Your officials basically sounded like they were not really tracking that, and they were not proactively working out what the likely uplift would be and then anticipating future programmes and future investments that might be possible. Is that a fair reflection of where we are, or what are you doing with your officials to make sure that you are modelling in that anticipated uplift, which should be coming?

Anneliese Dodds: I will make two comments on that. First of all, there is considerable work going on within the Department on this. I mentioned before that ODA board. Officials have been working together towards that to ensure that we really can use it as a mechanism to effectively scrutinise those costs and to make sure that they are going down. Mechanisms are in place to track that. That work is ongoing.

Secondly, and this relates, I suppose, to the discussion that we were having previously, the most fundamental thing for me around the financial management side, as a new Minister, has been to ensure that we avoid the kind of really turbulent situation that we saw under previous Governments. Core to that is making sure that we are confident that we can deliver against the multilateral commitments that we have made, in relation to the bilateral commitments that we have made, and then that we are also able to be flexible when it comes to humanitarian crises.

On the latter, and I know the Committee are very interested in this, we have been seeking to work much more on anticipatory action, insurance and so forth, so that we reduce the variability in the cost. Sorry, I need to speed up, Chair. You said that before.

Chair: No, we have as long as you want now.

Anneliese Dodds: Bless you. On the issue of ensuring that there is good value for money, if there is a change and, say, greater availability of resources, I am confident that we would be able to deal with that in a way that would represent good value for money. I am confident about it because we have been able to be flexible.



For example, when it came to the additional support that we provided into Sudan, that was provided because we were able to identify areas where, for example, there had been underspends, there had been resources that had not been delivered, for various reasons, where there was not going to be damage from doing that. That flexibility is within the system. The reason why I mention it is that this is part and parcel of how, in any case, the Department has to manage towards year-end and to make sure we have that flexibility, particularly around dealing with humanitarian crisis situations.

Q125 **James Naish:** My general sense is that, if you have gone from £0.6 billion to £4.3 billion and you are bringing that down, there should be a lot of extra money coming into your Department and, therefore, there should be an anticipation of when that is coming in. As long as officials are doing that, I think that is fine. What will you do if that money does not come and those costs do not come down? How will you flag your concern?

Anneliese Dodds: Where I might slightly put your first sentence in context, I suppose, is that I do not believe it is wise to have a wishful thinking approach to this because I think, where the UK has not been able to fulfil our commitments, that has been extremely damaging for our reputation. It is really important that we have sound financial management and do not think, "Well, it is possible". We need to know for sure that we are going to be able to deliver on them. I am not going to be anticipating if I do not have very firm evidentiary grounds to do so. As I say, I just wanted to put your first sentence in context there.

We have been working across Government, but particularly with the Treasury and the Home Office, on this. You will be aware that one of the foundational commitments of the new Government is to deal with that asylum backlog in particular and to ensure that we have secure borders. We have been really clear—

Q126 **Chair:** Minister, the question was specifically about your budget. We understand the PR around what we are doing on border crossings. We have got all of that. I am hearing you say that you are working to the budget you know you have and, if this money comes in, then happy days, but it is additional. Is that what you are saying?

Anneliese Dodds: To be fair, yes, it is what I am saying. However, the point I was trying to make was that, if those changes are not made, this will not just be an issue for my Department.

Chair: We accept that.

Anneliese Dodds: It will be a fundamental issue for the new Government. That was what I was trying to say.

Q127 **James Naish:** Finally, what is your overall sense? You have come into the Department. What is your view of the overall impact of the amount of money that is being spent on in-donor refugee costs and the efficacy of



your Department now?

Anneliese Dodds: I would make two remarks on that important question. First of all, I have been incredibly impressed to see the impact that UK development and aid is having around the world. Since I started six months ago, I have been to South Sudan, Ethiopia, Malawi, Zambia, Jordan, the West Bank and Indonesia, to see projects that we have been supporting, which includes seeing the impact of decisions that we have taken as a new Government. Time and again, I have been struck by the incredible outcomes that have been delivered through that activity. I will give one really quick example.

Q128 **Chair:** Minister, we love that, but that is not the question that James was asking.

Anneliese Dodds: The question perhaps intimated that it is not currently possible to realise the kind of outcomes that we want. What I want to say back to the Committee is that I genuinely believe we are delivering on our priorities, but we do need to do more.

Sam Rushworth: Before I ask a question on financing, could I just ask one more question on this? I am pleased with the work the Government are doing on covid corruption, for example, to look at overpriced procurement, but I think most taxpayers who look at the eye-watering sums of money spent on asylum hotels would wonder what on earth has gone on with the procurement of those.

If I was a hotel owner and someone was to block-book my hotel for an entire year, every single bedroom, at the price that we are paying, I would think I had won the lottery. Somebody is getting very rich out of those asylum hotels, but it is not the world's poorest. I just wonder if any work has been done to look into the procurement of hotels and to understand why we are overpaying.

Chair: With respect, I think that is a Home Office question. Did you have questions for the Minister?

Sam Rushworth: It is an ODA question. It is about the way that we are spending. I will happily ask that if we can bring a Home Office Minister in, because I think it is a really important question to put.

Chair: We have done that before, and we can do that again.

Q129 **Sam Rushworth:** We will move the conversation on to alternative non-ODA financing of development. What are the Government doing to support non-ODA mechanisms for financing international development?

Anneliese Dodds: I will come on to that, Chair. I hope it is consistent with the Committee's remit if I mention that I personally have had discussions with Home Office Ministers around this question.

Chair: Minister, if you want to jump down that rabbit hole, we will happily chase behind you.



Anneliese Dodds: I am just mentioning it so that the Committee is aware that this is something that certainly I am aware of, and I know that they are absolutely aware of, as well as the many other measures that they are already enacting.

In terms of non-ODA measures, it is very clear that aid is a tiny fraction of the resources that need to be mobilised in order to enable countries to move out of poverty and to drive forward global growth. We have been focused on really trying to push forward financial reform. That includes some areas where the UK has made a contribution, but where we need to see finance really stretching much further and getting where it is needed more quickly. There needs to be significant reform of the multilateral development banks, for example. We have pushed that very hard, and I am pleased that we have seen the GCF now investing in Somalia.

We have really been pushing hard on access to support for fragile and conflict-affected states. It is really good to see that moving forward. I mentioned before the World Bank and its support for those kinds of countries, too. We have also been seeking to do all that we can, working with the City, others in the private sector and, of course, BII, around the availability of private finance and forms of blended finance.¹ It has been incredibly important in so many countries. It is still far too difficult and far too bureaucratic, but the opportunities so often really are there to deliver those jobs and growth that are so needed in many of these countries.

There are many elements that we have been focused on there and where we need to see change. One is around transparency. That is really important when it comes to debt, too. I know that a number of people in the Committee are really concerned about the indebtedness of many LDCs at the moment. It really is important that there is much greater transparency around lending, but also for countries themselves about the impact of investment, for example, related to climate preparedness. At the Hamburg Sustainability Conference, we worked with the German leadership there and other partners on the big transparency initiative that they put in place around that. I think that is going to be really important.

We also need to make sure there is much more voice for countries in the global south and many of these mechanisms, too. I am absolutely delighted the Prime Minister has been pushing hard on that at UNGA and in other forums. The Foreign Secretary has as well. We will keep advocating for that. There are a whole variety of areas, including trade for development, taxation and technical support, in which it is important that UK expertise is made available where we can deliver that change. A big part of that is about genuine, respectful partnership and understanding what it is that our partners need in order to move forward.

Q130 **Sam Rushworth:** Can I press you further on the debt relief? We have

¹ BII mobilises private sector capital, but it is not a non-ODA mechanism. The funding it receives comes from the UK ODA budget.



HOUSE OF COMMONS

had conversations about this in the past. As you know, African countries spend 50 times the entire UK ODA budget every year on debt interest. This is a really important issue. What specifically are the Government going to do to support debt relief? I am particularly thinking about commercial banks, because so many commercial banks are governed by UK banking law.

Anneliese Dodds: We are certainly in a situation that is just as intense, if not more intense for many countries, as during the jubilee period. We are also in a situation, as I know the Committee will be well aware, where the composition of that debt is arguably far more complex. China is a far bigger creditor than it was. There is much more private lending, as well as much more regional lending, particularly to many African countries. That means that we are in a more complex situation, but the need, as I said, is just as intense.

As the new Government, we have been really pushing to ask, "How can we get that relatively new G20 process to work as quickly as it needs to work, with the outcomes that it needs to deliver?" When I was in Zambia, I had a number of discussions with different individuals about how they felt that process had worked or not worked. There are many lessons that need to be learned. We are really focused on making sure that reform does take place and takes place quickly. It is right that it is a G20 process because that is bringing that broader number of countries into the net to make sure that there is proper restructuring that takes that pressure off.

We also need to make sure that we see things like majority voting positions and more transparency being embedded in lending from the beginning. That is really important. We have been thinking about what we can do to really push forward leadership around that. We need more transparency. As I said before, that is really important because we cannot have, as Mia Mottley has said time and again, countries that are being hammered by the climate crisis now that cannot prepare because they are saddled by debt. We need to make sure that investment that is helping countries to prepare is not treated in the same way as investment or spending that is not actually delivering that outcome. Finally, we need to make sure that there are climate resilient debt clauses within lending, too.

I know there are many other options that have been presented on the table. I am engaging with a number of bodies around those, as well as with the G20, as I mentioned. I have a meeting coming up with civil society to talk about some of those ideas as well. I really do think it is important that we do as much as we can to try to remove that debt burden, because you now have a lot of countries spending much more on debt than they are spending on, for example, health and education.

Q131 **Sam Rushworth:** Could I ask one more quick question? It is not about debt relief, but about tax base. A lot of developing countries struggle because of capital flight and because tax is not paid that is owed in those countries. Are the UK Government doing anything to show leadership on



that?

Anneliese Dodds: Yes, absolutely. This is an area where we need to make far more of the UK contribution. We have seen HMRC, in particular, in a number of countries providing support and advice at a technical level to different Governments. That has been really significant. I found that myself, with some of the field visits that I have done, speaking with government actors about the difference that that has made.

We have sought to contribute advice in many other areas as well around fiscal sustainability. I was particularly keen to see that directly in operation in the West Bank, when I was having discussions with the Palestinian Authority, and the work that Sir Michael Barber and others have been doing to support the Palestinian Authority there. We then also need to make sure that we have a multilateral system that is working well and there is that OECD process. We need to make sure that process is effective in preventing that leaking of resource so that countries really are able to obtain the taxes they need.

We also need to be stamping out kleptocracy and illicit finance at home as well as overseas. The Foreign Secretary has made that a real campaigning and policy priority, and we are delivering on that.

Q132 **Brian Mathew:** Minister, in order for us to understand the extent to which the eradication of extreme poverty is a priority for Government, what do you see as the appropriate balance between using ODA in middle-income countries, in support of diplomatic objectives, and in low-income countries, to combat extreme poverty?

Anneliese Dodds: Ultimately, official development assistance must be used to relieve poverty. That is the criterion against which it must be spent. That is set very clearly in law. It is very important that the UK focuses on ensuring that we are enabling countries to develop jobs and growth, including the poorest countries. That is very important. That focus for me has been absolutely critical. It has been reflected in what I have done so far, as a Minister for Development, in the places that I have been and the projects that we have focused on delivering.

When it comes to middle-income countries, often they are far more focused on the kind of issues we were talking about a moment ago, sometimes technical assistance, or matters to do with global reforms, where we can work together on a shared reform agenda for multilateral institutions. When it comes to the spending of ODA, I think that poverty alleviation objective is incredibly important, particularly when it comes to extreme poverty. You cannot go to, frankly, a place like South Sudan, with the kind of circumstances that people are in there, but also the opportunities that exist there and the hope that people have for change, without being determined to ensure that we use the means available to us to counter extreme poverty.

Q133 **Brian Mathew:** To keep hammering on this particular topic, a greater



HOUSE OF COMMONS

proportion of ODA currently goes to middle-income countries, compared to low-income countries. Are there any plans to reverse this trend?

Anneliese Dodds: I do not believe that is correct, when we take into account multilateral spending and other forms of ODA spending, and not purely bilateral. The classification of countries is something that is contested. We hear this message from small island developing states in particular, from some of the Caribbean countries, but also from a number of Middle Eastern countries, particularly those that at the moment have many refugees. They would be classified sometimes in the middle-income bracket, even with the challenges that they are experiencing. As I say, if you look across the board at ODA, I do not think that is correct. I think that is the case for bilateral spending at the moment.

Q134 **Brian Mathew:** Is this not perhaps a good reason for thinking about how we re-establish DFID as a separate organisation from the diplomatic side, if you like, in terms of the "Foreign and Commonwealth" bit of the FCDO?

Anneliese Dodds: I think the Committee would want us to ensure that we were facing up to major humanitarian challenges. I think the Committee would be keen for us to do that, but at the same time I know the Committee is keen for us to ensure we have that focus on countries where there is extreme poverty as well. It is important that we are facing up to our responsibilities in Gaza, for example, or in Jordan or Lebanon, as well as making sure that we are doing the same when it comes to South Sudan. We need to ensure that we are doing both now.

Part of that necessitates clarity around ensuring that we take decisions about bilateral spending with the right data available and in a way that is not purely path-dependent, bearing in mind the point about not having huge amounts of turbulence, and is not driven by political proclivities, where a certain Minister might have wanted to go or whatever, but is driven by a clear focus on what is needed. That needs to cover extreme poverty and humanitarian concerns. I would say it also needs to cover climate vulnerability. When it comes to allocating bilateral spending, those are the kinds of factors that we are looking at extremely carefully.

Q135 **Alice Macdonald:** Going back to women and girls, we obviously know that, when development is focused on women and girls, it is more effective. There is a statutory obligation to consider gender equality, and I emphasise the word "consider" because I want to come on to that. You said it was one of your priorities. When I asked the officials before about how there had been quite a lot of cuts in this area in the past, it was not very clear to me that there was an overall assessment of the aggregation of cuts on women and girls.

I have one general question and then some specifics on Afghanistan. Can you just elaborate on how you are going to deliver that priority and, in particular, how this is being embedded across the Department, so you are clear that we are making progress on tackling gender equality?



HOUSE OF COMMONS

Anneliese Dodds: Thank you very much for raising that. I really do believe that it is fundamental. I do not want to labour the point that I made before, but we have to recognise that, unless women and girls are put at the heart of development policy, we simply will not have an effective development policy.

The FCDO has committed that at least 80% of bilateral aid programmes will focus on gender equality by 2030. I am focused on us ensuring that we get to that place. I believe that we have the plans in place to ensure that we will. In 2022, that figure was assessed as lying at 58%. I actually think we need to go further than this. You rightly alluded to this, but there is a big discussion about how exactly that funding is classified, whether we are talking about the principal purpose of funding being focused on women and girls, or whether it is a question of ensuring that women's and girls' needs are considered from the beginning. In my view, the default must always be that women and girls are considered from the beginning because I do not believe we can have effective humanitarian delivery, delivery of economic development, delivery for health and education, and so forth, unless we have that consideration from the start.

For example, when it came to the support that we provided in relation to refugees from Sudan, particularly in Chad, we have sought to ensure that there was a really strong focus on preventing conflict-related sexual violence, which has been such a huge concern for refugees from Sudan. We have made sure, with the education programmes that we have been working on as a new Government, that the needs of girls are always considered there.

Q136 **Alice Macdonald:** I am just conscious of the time. Can I just push a little bit on the consideration versus the primary objective? My understanding at the moment is that ODA spending on gender equality is where it has a focus, but not necessarily the primary objective. Are you considering changing that so actually there is a target for the primary objective of ODA being gender equality, not just a focus within it?

Anneliese Dodds: I would say the most important thing for me is to make sure that mainstreaming is not just a word and that it is a reality. I mean that very seriously. With every proposal that I am looking at, I am determined to ensure that we really are taking this seriously. I want to know what has changed compared to not having that commitment. That is what is important to me.

When it comes to programmes that are focused specifically on women, we have been seeking to work particularly on the issue of women's rights organisations and making sure that we are supporting them. That was a particular focus of my visit to South Sudan, and it has been in some other countries that I visited, because we recognise the catalysing impact that those women's organisations can then have on so many other outcomes.

Q137 **Alice Macdonald:** I have just one more point before I move quickly to Afghanistan. In terms of the empowerment of women and girls, is this



HOUSE OF COMMONS

still going to be funded through individual programmes rather than having a general goal 5 empowerment fund in the Department? Is the funding and prioritisation mainstreamed through individual programmes, or would you consider a central fund for women and girls within the FCDO? It might be both.

Anneliese Dodds: There are discrete programmes focused specifically on women and girls, for example on women's rights organisations, but also in relation to women's health in particular and other areas. You mentioned Afghanistan, I think—

Alice Macdonald: I am going to come on to that in a minute.

Anneliese Dodds: Okay, sorry.

Q138 **Alice Macdonald:** Just on Afghanistan, obviously you mentioned it at the beginning. I think it has been described as the worst abuse of women's rights in the world. There are calls for what is happening there to be recognised as gender apartheid and a push for that to be codified within international law. Would you describe it as gender apartheid and do you support those moves?

Anneliese Dodds: You are right to describe the situation in Afghanistan for women and girls in the terms that you used. It is absolutely horrendous. I think the recent measures that were brought in around healthcare staff are extremely disturbing, clearly not just for those women who no longer will be able to train as nurses and doctors, but for the impact that is then going to have on women's access to healthcare. It is absolutely appalling.

There is that international discussion around exactly how the Taliban's behaviour should be categorised. There are very different points of view around that internationally, including from South Africa, and from other nations as well. The absolutely critical thing for me is what we can do to try to change this appalling situation for women and girls. That means making sure that we are engaging internationally on these questions. It also means, of course, that we are doing what we can to support women and girls. That means ensuring that, when it comes to the humanitarian crisis that there is in Afghanistan, we do not see through UK programming at any time that there is a de-prioritisation of women and girls. It is the same when it comes to health and education.

I have pushed really hard on that since I have been a new Minister to make sure that we are really confident, with those who are delivering that provision, that they are themselves confident that there will always be that provision for women and girls in what they are doing. For example, we now know that girls are not allowed to attend secondary school. We should not see support for boys to attend secondary school in those circumstances. That kind of measure is really clear in our approach.

Q139 **Alice Macdonald:** Just on the specifics, and we might need to follow up, it feels to me that it is very difficult to do lots of things. There is this real



HOUSE OF COMMONS

push around using international humanitarian law. There was the draft global treaty on targeting crimes against humanity. I suppose I am trying to understand whether the UK supports moves to include gender apartheid within that.

I cannot remember which countries are trying to bring Afghanistan under CEDAW. Does the UK support that? Those to me feel like very tangible things that we could show that we are supporting with international law, which will also show women in Afghanistan that we are on their side.

Anneliese Dodds: I agree and we do support those moves in relation to CEDAW. When it comes to the inclusion of gender apartheid as a new crime against humanity, as I mentioned before, there are quite complex considerations around this. We are looking really carefully at them. There are quite different points of view, as I said, including from South Africa. We are looking really carefully at this, but above all seeking to do all we can to try to change that situation.

Q140 **Laura Kyrke-Smith:** Minister, I would like to turn to the situation in the Occupied Palestinian Territories, which, as you know, remains absolutely dire, and in particular UNRWA. In three weeks' time, the legislation that has gone through the Knesset is due to come into force, which would effectively ban UNRWA from operating. Almost 6 million people across the Middle East are reliant on UNRWA for the very basics of essentials and healthcare. Is your assessment that it is likely that that law will be implemented by Israel in three weeks' time, and how worried are you?

Anneliese Dodds: I am very concerned. It is very clear that no other organisation is able to deliver aid and services to people, not just in Gaza but right across the region, in the way that UNRWA does. No other organisation has the scope that it has and the depth of provision. There is also a UN mandate for UNRWA to be performing the task that it has been for many decades. It is a critical task, and I saw that for myself when I was in the West Bank. I visited an UNRWA-run school there.

I have spoken a number of times with the leadership of UNRWA, with Secretary General Lazzarini but also his deputies, including when I was in Jordan. We are absolutely crystal clear on the fact that UNRWA has that mandate. It must not be countered. There has been that vote in the Knesset, in the Parliament in Israel, but we have been clear that that vote cannot be implemented and it must not be. To do so will be to go against that UN mandate, but also to cause tremendous suffering to people, not just in Gaza, but across the whole of the region.

We are deeply concerned about this situation. As you would expect, I have talked in detail about this with NGOs, but I also raised it, as you would expect, when I was in Israel itself. I made it very clear to the Israeli Government and to Israeli parliamentarians that there is no alternative to UNRWA continuing its important work.

Q141 **Laura Kyrke-Smith:** Are the Israeli Government listening? Do you feel your representations are being taken seriously and considered?



Anneliese Dodds: I think that there clearly was considerable concern in Israel, especially after the issues that led to the Colonna review. I think there was deep concern about the allegations of involvement of UNRWA staff in the October attacks. The new UK Government have been in a lot of contact with UNRWA since those events, really seeking to understand what it has been doing, especially on the neutrality reforms that it has been taking forward.

We have also put our money where our mouth is because we have ensured that that process has been supported by the UK. We believe that was what was necessary. That has led to change within UNRWA around neutrality. There is simply no alternative to UNRWA within both Gaza and the West Bank, as well as other parts of the region. As I said, no other organisation can deliver the lifesaving support that it provides.

Q142 **Laura Kyrke-Smith:** What does happen if Israel goes ahead? Are you confident it has looked at alternatives? Does it think there are alternatives that could work? It feels highly unlikely to me. From our perspective, how is that going to play out, the day after this goes into force, if it does?

Anneliese Dodds: Our view remains that it must not go into force, that there is a very clear mandate for UNRWA and that its work is absolutely necessary. We do not believe that a clear alternative has been set out, even if there were somehow a justification for that, and we do not believe that there is. An alternative has not been set out. The ultimate upshot could potentially be an extremely severe impact on many people who are already in dire humanitarian straits. We will continue to make that very clear.

Q143 **Chair:** Minister, could I intervene? We are very grateful for all that you are doing on this, and I know that you really care about this, but you did not answer. Do you believe that Israel is listening to the pressure that you are trying to apply?

Anneliese Dodds: I certainly had very long conversations with those individuals who I met in Israel. I made very clear the UK Government's position on this.

Q144 **Chair:** Which is what?

Anneliese Dodds: It is, as I said, that the role of UNRWA must be continued and that we cannot see an implementation of that decision. I do not want to rerun the discussion that happened in the House earlier today, but I also made clear that there cannot be impediments on aid, and all the other issues that the UK Government have focused on and pressed hard on, not just with Israel, but bilaterally with other countries, and multilaterally as well.

It is important that we continue to engage and to push really hard on these matters, because I think we know what the impact will be if we do not—



HOUSE OF COMMONS

Q145 **Chair:** You are drifting off again. I am sorry; I am a big fan, but I am doing my job. Minister, do you think Israel is listening, both about UNRWA, when you are trying to apply pressure, and about the other things that are going on within the region?

Anneliese Dodds: We must see a change in position, ultimately. We have to see that change. We have to see a change around removing support for UNRWA. We have to see a change around the impediments to aid access. That is consistent with the Government's position that there must be a ceasefire, the release of all hostages and the surge of aid into Gaza that was promised. We have to see that change and we will keep arguing for it.

Chair: You have to see that change, or what? The American Government put down a very clear red line about the number of trucks that had to go in and a date. That did not happen and there were no consequences to that. You are saying about UNRWA, "They have to change". Well, yes, but you have not said that you believe the Israeli Government are listening when you are saying that and you have not said what consequences there are going to be if they do not. The consequences would be that no aid would be able to get into Gaza. That would be from day one.

Anneliese Dodds: Again, I do not want to rerun the discussion earlier in the House. As a new Government, we have been very clear that, for example, we believe the ICC and the ICJ have jurisdiction when it comes to events in Gaza. We have taken a radically different approach when it comes to arms export licensing and a radically different approach when it comes to UNRWA as well, compared to the previous Government.

We will continue to push really hard on these issues because we can see, frankly, the humanitarian catastrophe that is unrolling within Gaza at the moment. Hopefully members of the Committee will have seen that we have been working internationally on this, particularly at the UN Security Council recently, but elsewhere as well. I was in Egypt for the Gaza Humanitarian Conference that was held in November, where we were seeking to work with other countries on this.

If I may, Chair, add one quick word on the point that you made at the beginning, I discussed this at length when I was in the West Bank, but also with a number of UK-based NGOs that have been active within Gaza. It is really important that we are focused on the outcomes for people in Gaza at the moment. We see those now when it comes to healthcare, nutrition levels, availability of shelter and the impact of a lack of shelter. We can see those statistics right now.

When it comes to measuring the number of trucks and so forth, given that we have seen so much change around what pallet height is allowed, where they are allowed into and so forth, for me, that is not the core measure. The core measure is the status of people actually within Gaza at the moment.



Q146 **Laura Kyrke-Smith:** I do agree that the measure ultimately has to be about delivery, in terms of where the aid gets to, but it feels to me like UNWRA is an essential part of that. There is no alternative. I fear that this ban will go ahead and will be implemented. I worry also about the impact on other UN agencies.

My final question to you would be on that. You hear of other UN agencies feeling similar pressures and not quite such tight, explicit restrictions yet, but do you feel this is a slippery slope? Where does this leave the UN more widely in the Occupied Palestinian Territories and in the Middle East?

Anneliese Dodds: It is very important that both humanitarian principles and international humanitarian law are held to, but also that that UN system, which is ultimately one for which there is a mandate from every country, is maintained. You are absolutely right that we are seeing that pressure.

I would also mention, without wanting to go off on a tangent, Chair, what we have seen in Yemen in relation to UN staff. A lot of them are country-based staff, but there are other humanitarian staff as well. It also represents a crossing of the Rubicon in terms of them being taken hostage by the Houthis. It is really important that we are clear about the need to hold to those principles and to continue to support that UN system.

Q147 **Monica Harding:** I wanted to come back to your point. If I may push it, have the UK laid out any consequences or planned any consequences to UNWRA being unable to operate anymore in three weeks' time? Similarly, is the Minister or are the Government having any bilateral conversations with other countries about this?

Anneliese Dodds: We have laid out what the consequences will be, if there was to be that kind of fulfilment of that Knesset vote. We have been very clear about the likely impact. I have been clear about it bilaterally, as we were talking about before, with Israel, but with other partners as well. We have been working with a number of countries around the humanitarian crisis in Gaza, from countries in the Gulf and others in the region to the US.

There are many other nations that we have been working with on this and, of course, we have had those discussions with UN agencies and with NGOs as well. We absolutely have been clear about the potential impact and about the need to work together in relation to that impact. We are very clear that there is not an alternative that can just be switched on for UNWRA and that the international community could just come up with. That alternative does not exist because there is no body that, as I said before, has the scale of operation that UNWRA has or, indeed, the depth of operation that it has as well.

Chair: Minister, we are really pushing it on time now. I have just asked broadcast if we can extend, but hopefully we do not have to go into that.



HOUSE OF COMMONS

I know that Sudan is an area that you really care about. David would like to ask you some questions on it, please.

Q148 **David Taylor:** We are delighted that the UK envoy for Sudan has been appointed, but we previously heard evidence in front of this Committee that there was a concern that they perhaps were not operating yet at pace. I just wondered about your reflections four months on from that person in being in post. What are your expectations for the role and how can it help the UK's response to the humanitarian crisis?

Anneliese Dodds: I will try to be really quick. I was really pleased that they were appointed. We have now seen the first UK engagement in Port Sudan to have taken place since the conflict began. It is incredibly important that that happened. We have doubled our aid to Sudan and we continue to work with a range of other bodies, bilaterally and multilaterally, on what we can do to face up to what is, arguably, the biggest humanitarian crisis in terms of the number of people who have been displaced.

Q149 **Sam Rushworth:** What is the UK doing to support atrocity prevention strategies in Sudan and refugee host countries?

Anneliese Dodds: We have worked with other nations to make sure that the UN's fact-finding mission was renewed. I was really pleased that we saw additional African countries coming in to back that. It was very important that the mandate was renewed, so that there is that fact-finding. We are also supporting work that is ongoing through social media and elsewhere to gather information about those atrocities—
[*Interruption.*]

Chair: Minister, why don't we just give you a moment to have some water? We really do appreciate how much time you are giving to us now and how passionate you are about this. Apologies for roughing you up a little bit, but we also care very much about this topic. I am very blessed that, as a Committee, we are completely full of people who have a background in development and the associated fields. I am very fortunate, as a Chair, to have such expertise this side of the table.

Q150 **Sam Rushworth:** There was a follow-up question. It is probably one for a longer answer another day, but the previous Government established that there should be an atrocity prevention strategy. What are the Government doing to make sure that there is an atrocity prevention strategy and that that is being integrated into foreign and security policy going forward?

Anneliese Dodds: I will try to answer this quickly, before I start coughing again. Sorry, I have a bit of a frog in my throat. I know the Committee is really concerned about this area and particularly that the UK is doing all that we can so that the alarm is sounded where necessary—[*Interruption.*] That is a priority for us as well and we will work hard on it. Sorry, Chair, I am struggling a bit here.



HOUSE OF COMMONS

Q151 **Chair:** No, it is all right. Minister, the US has just determined that RSF is committing genocide in Darfur and has announced a set of heavy sanctions. Do you think that this is something that we are likely to follow suit on? We will take nods and sign language.

Anneliese Dodds: We will certainly examine that very carefully indeed. We will certainly look very closely at that determination.

Q152 **Noah Law:** Moving to another big topic with a big number attached, for the UK to meet our £11.6 billion International Climate Finance commitments, the Government need to deliver £3.4 billion in 2025-26 alone. Is the FCDO currently on track to deliver this?

Anneliese Dodds: Thanks very much for that question. I believe that we are on track to deliver that. That is also related to the fact that, currently, so much development work is intimately connected with particularly climate adaptation, as well as mitigation. For example, if we were to look at the situation in Zambia, where I recently visited, we have been putting into place measures to make sure that farmers are better able to adapt to the climate crisis there, because of the drought that has been taking place.

That is clearly something that is very important, climate-wise, but it is also going to be supporting them economically. It is absolutely fundamental to their autonomy and to the development of local economies, too. They are able to, for example, purchase a broader range of grain. They need to do that because, unfortunately, there is more drought. Crops need to be more climate resilient. That can then create more opportunities for local traders and so forth.

I am confident we are going to deliver that. That is both because of a conscious focus on delivering it, and because so much of what is needed for development and poverty alleviation now is intimately connected with the impact of the climate crisis.

Q153 **Noah Law:** This is probably something that the public are quite concerned about as well. I certainly receive a lot of correspondence about this number. Am I correct in understanding what you are saying? This is something of a fungible number, rather than a standalone commitment. It is very much being met via commitments made elsewhere in ODA.

Anneliese Dodds: No, I would not read that implication from what I said. What I was trying to underline was that, when the Foreign Secretary said that climate and nature would be at the heart of everything we do, that was both because we will have explicit targets and explicit programmes around this, and because the drivers of extreme poverty and brakes on economic development at the moment are so often now ultimately connected with the climate crisis and, indeed, the nature crisis.

Q154 **Noah Law:** Which areas of ODA spend do you think have to be de-prioritised for us to meet those commitments? I will press you on this. I know that you said that they are so very linked but, ultimately, this is a



HOUSE OF COMMONS

standalone fund or commitment that we are making. If it is detracting, perhaps, from ODA as a whole, what has to give?

Anneliese Dodds: I suppose this relates again to that point about partnership that we were talking about before. We have not been in a position where we have had to say that we cannot pursue those priorities that I set out at the beginning because we have to hit that target. We have not been in that situation.

Instead, I would say we have needed to try to push as hard as possible for greater access, particularly to climate finance, for the poorest countries. It is not getting there quickly enough. We have been doing all that we can to push for reform. Also, within other areas of programming, we have needed to make sure that we are considering environmental matters.

I am not trying to say that there is never any challenge here. Again, to go back to the case of South Sudan, the children whose schools were flooded because of the climate crisis and the rainy season are the same kids who are unable to work in those schools because they are too hot in the dry season. You can put funding into education but, unless you draw both of those issues together, you are not going to have those children getting the educational benefit that is necessary. You have to consider them together.

Q155 **Noah Law:** Perhaps drawing very briefly, if you can, on the question that David asked earlier, as many others have, do you think we are articulating that clearly enough to the public?

Anneliese Dodds: We can always do better. Certainly, I as a politician always believe I need to do more to make sure that I am communicating as clearly as I can. I am learning from others around this. When it comes to that particular example, it is very intuitive for people to understand.

My kids, without going into too much detail, thought they were going to have a snow day yesterday morning. They did not get a snow day. They would have loved to have had a snow day and get the day off school, and the average kid in the UK may have about seven days, perhaps, off school because of weather events. Normally, it is many fewer than that. The average child in many of the countries that are under extreme climate stress will be seeing weeks and weeks of the year where they cannot be in school, because of these climate stresses. That is something that is very intuitive and that people have a huge amount of concern around.

Q156 **Noah Law:** Finally, I appreciate this is something you may have to come back in writing about but, if you could get us a number as to how much reclassification of existing ODA is required to meet that standard, we would be very grateful.

Anneliese Dodds: We are not talking about a reclassification. We are not talking about a change to the rules. We are determined to make sure



that we meet our commitments around this. Just to go back to the point again, I was trying to underline that the impact of the climate crisis now on people's life circumstances is so intense that it has to be at the heart of a huge amount of what the Department does on development anyway.

Q157 David Reed: Minister, thank you for being so generous with your time. The last wave of questions will focus on the oceans. The Government have committed to ratifying the global ocean treaty, but when do they plan to do this?

Anneliese Dodds: That can be a quick answer, because we are determined to ratify. We are moving forward at pace. Of course, quite a lot of technical work needs to be undertaken, but we are really determined to ratify as soon as possible. It is of great importance, both to me as the Development Minister and to the Foreign Secretary.

Q158 David Reed: Can I push you on a date?

Anneliese Dodds: You can push me. You will not get one, but that is not because we are not working at pace and really hard on this. We have been liaising really intensively with our DEFRA colleagues on this. They want to move forward on this as quickly as possible. I know that it is a real priority, certainly for this Government, but it is also a priority for many of those countries that are particularly impacted by these issues, too.

Q159 David Reed: Broadly, will it be this half or the next half of the year?

Anneliese Dodds: I want us to do it as quickly as possible. We are working at pace, but quite a lot of technical work needs to be gone through in order for us to ensure that, when ratification happens, it is actually going to deliver that impact.

David Reed: But it will be this year.

Anneliese Dodds: I want it to happen as soon as possible.

Q160 Chair: Nice try. My colleague knows there is a global ocean conference in March and it would be very nice to go there and reassure particularly the SIDS that we are committed to this. It is somewhat frustrating that we have not ratified it yet, but we hear what you have said.

Minister, the last question is, forgive me, quite a controversial one. The last Government handed over a lot of money to Rwanda and the M23 has been involved in atrocities over there. What due diligence have you done to make sure that none of that money has fallen into those people's hands?

Anneliese Dodds: I know that Lord Collins, the Minister for Africa, has visited Rwanda. He has visited Angola and DRC as well. It is extremely concerning to see the situation that has developed within DRC, of course. I have been seeking to ensure that our development spending, wherever it is in the world, delivers on our objectives and is used in a way that



HOUSE OF COMMONS

supports people who are in need of that support, rather than falling into hands that it should not be in.

That will, I am sure, be the case here as well. Certainly, when it comes to our engagement on these questions, I know that Lord Collins has been urging Rwanda and, indeed, the other countries as well that are engaged here, and really trying to push them to adhere to the peace process that is taking place. Of course, there are multinational forces involved, as well as the UN. We are really trying to ensure that we can get a resolution of what is an incredibly complicated conflict now, with so many different armed groups all operating. Of course, the overall impact is a terrible one on the people of DRC. Thank you very much for raising it.

I am now feeling restored and no longer spluttering. I really hope I have not given whatever it is to others.

Chair: So do I. We will track you down, Minister. You think we get cross about ODA, but if you are giving us your bugs it is a whole other level.

Anneliese Dodds: It has been a real pleasure and I really did genuinely appreciate the engagement of the Committee before I went to the West Bank previously. It has been wonderful to have this conversation now. I know this Committee has so much development expertise within its ranks, as well as expertise from the forces and lots of other areas that are so important. Thank you, everybody, and I look forward to many other such meetings, I hope, if you will have me back.

Chair: We certainly will. We have you in front of us in a month, Minister. We will be a regular slot in your diary. Thank you very much. You have been incredibly fulsome and open with us. It makes for a very good relationship and it enables us to scrutinise and do our job properly. Thank you for all that you are doing. Thank you for all of the time today. Thank you to your team for being here as well.