HOUSE OF COMMONS

International Development Committee

Oral evidence: Future of UK aid and development assistance, HC 1330

Tuesday 25 November 2025

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Watch the meeting

Members present: Sarah Champion (Chair); Janet Daby; Tracy Gilbert; Monica Harding; Brian Mathew; David Mundell; James Naish; Sam Rushworth; David Taylor.

Questions 1 - 99

Witnesses

I: Martin John, National Officer, Public and Commercial Services Union; and Lois Austin, FCDO Group Secretary, Public and Commercial Services Union.

II: Professor Emma Mawdsley, Professor of Geography and Development Studies, University of Cambridge; Freddie Carver, Director, Humanitarian Policy Group, ODI Global; Anna Schuesterl, Director of Communications, ODI Global; and Gideon Rabinowitz, Director of Policy and Advocacy, BOND.

Examination of Witnesses

Witnesses: Martin John and Lois Austin.

Q1 **Chair:** This sitting of the International Development Committee will specifically look at the staff cuts and budget allocations that are coming up in the FCDO.

I thank the members of the first panel very much for joining us; we will focus primarily on staffing with them. And for the second panel, we will look more at the future of aid, and at the implications of the cuts and changes that we are seeing happening at pace.

May I ask both our witnesses to introduce themselves?

Lois Austin: My name is Lois Austin, and I am a PCS full-time official. PCS is the largest civil service trade union.

Martin John: My name is Martin John, and I am a national officer with the PCS trade union.

Q2 **Chair:** Thank you both very much for joining us. We are at quite a critical time. Lois, I wonder whether you could bring us up to speed. What is actually going on in FCDO now? We would be grateful if you could give us timescales and talk about the nature of FCDO meeting its 2030 agenda.

Lois Austin: We are currently in consultation on a restructure programme, which is about restructuring the whole FCDO, but not the overseas network. It is UK-based staff, basically.

You will have seen the article in the *Financial Times* by the permanent secretary, and there were headlines in some of the newspapers about a 25% to 30% cut in staff. That is huge.

Q3 **Chair:** Is that UK-based staff?

Lois Austin: That is UK-based staff. As you can imagine, we are alarmed by that. We have the headline figure, which I think equates to approximately 1,885, in terms of the number of staff to be cut. The FCDO has given notice to the Insolvency Service of 1,885 redundancies. We are in consultation, but all of it is cart before the horse, because—apart from being told that, because of the spending review settlement, FCDO is getting less money and therefore we have to cut staff numbers—there is no business case to justify such a huge cut in staff numbers. There is no rationale and no workforce plan. We would expect all of that.

I have been involved in lots of restructures in Government Departments where we would get all of that. We would get an organisation redesign, so we could see what the organisation looks like now—how many directorates and how many staff, what they do and what they don't do—and then we would see the redesign of the organisation. We have had none of that, so we are very worried about the fact that we think this is a job cuts programme that has been driven by finance. It has been treated like an HR administrative restructuring programme, but no work has been done on what the FCDO currently does and the work that it delivers—the vital stuff that it does here and overseas because, obviously, the two things are interlinked. None of that work has been done.

Q4 **Chair:** Could I pause you, because I am a bit confused? In September we got a new Foreign Secretary and she, understandably, will have her own priorities and wish list that she wants to emphasise. When we had the Development Minister in front of us, we were told that the Department was working on the new development programme, and that the draft would be early in the new year. We asked if we could see it before it went public, which would be the end of the financial year. What I do not understand is whether Ministers have made all the decisions on their priorities, and whether these staff are being cut dependent on those priorities?

Lois Austin: No, and that is a very good question that really goes to the essence of the problem. For example, we had a meeting last week with the HR team that is leading on this, and we asked it specifically what the cuts to the ODA budget mean in terms of what work will no longer be done. We were told the strategy unit is currently working on that. The strategy unit is involved in about three different reviews. There is an overseas network review, and there is a review of ODA and what it now means for the Department's development work, but that work is being done completely separately from the restructuring programme and the job cuts programme. That, for us, is alarming. It is the cart before the horse.

Q5 **Chair:** It is more than alarming; it is nonsensical. It is not the cart before the horse because we don't know if we need a cart—we might want an EV at the end of this.

So, for example, if the new Foreign Secretary decides that her priority is WASH, but the whole departmental team and the bilateral spend have been cut so they just say, "Sorry, Foreign Secretary, you can't have that," that is an extraordinary situation.

Lois Austin: It is, and we have just had, for example, the outcome of the restructure of SCS2—the directors. They have gone from, I think, 42 to 25 directorates. Basically, they have cut the number of directorates before all that work on what will and won't continue—all the work of the strategy unit has not been completed. We have not been consulted on any of those reviews, yet they have already begun the restructure in earnest.

They restructured the directors general, and they restructured ExCom—so the people who sit at the top of the organisation—and they have just finished the restructure of the directors. They've cut the number of directors and directorates, all before the basic work that you would expect for a programme of this size has been done. There is no workforce plan. There are reviews into the work of FCDO, but we do not know the outcome of these reviews—actually, I think they have barely started. We have not been consulted on them. And there is no skills audit. They are about to launch some kind of voluntary departure scheme. Martin knows much more than I do about the different schemes available to civil servants and about the job protocols that we expect them to follow. In our view, they have been breached.

They are about to announce a voluntary departure programme before they have done a skills audit. We are really worried that vital expertise will be lost. Particularly on the development side. The bulk of the staff in Abercrombie House in East Kilbride, which is the FCDO's Scotland office, are ex-DFID staff—they are staff with development expertise. We want to know where the axe will fall there. We are very worried about that.

Q6 **Brian Mathew:** Over to you Martin. What is the agreed process for these sorts of restructures?

Martin John: What we would expect, based on past experience, is that, first, there would be consultation on the new structure.

Q7 **Chair:** I thought that was legal? I thought you had to?

Martin John: In terms of the business case, yes, but in the civil service context there is a bit more to it than just the business case for why numbers have to be reduced. Not to put too fine a point on it, but there would probably be some positive spin attached to it in terms of the mission of the organisation, etc.

We would expect to see detailed consultation on the actual structure being proposed. Out of that would come other essential things such as a strategy for getting to the new structure, which, based on past experience, would involve assigning people to new roles. Sometimes that would be a competitive process, sometimes a matching process. There are Cabinet Office rules about how that kind of matching is done.

Staff who are not successful in going from a legacy structure to a new structure would then be put in a pool where they are under the protocols for avoiding redundancy. At that point, they would have to be told that they are at risk of redundancy. It was confirmed to us last year that Government policy remains to avoid civil service redundancies. Therefore, the 2016 protocol for the avoidance of redundancy is still in force as far as the Cabinet Office is concerned.

What happens to people who are displaced? First, there needs to be a sequence of events, the key one of which being the go-live for the new structure. That is key because there would be all sorts of things about maintaining continuity of roles and responsibilities, continuity of work in progress, and so on.

Ultimately, people who are displaced would be put in a pool. As their trade union, we would then be very concerned about their terms and conditions of service, as well as the unimpeded operation of redundancy avoidance measures.

Q8 **Chair:** Martin, can I pause you there? I am sorry if I have missed this, but have you seen the new structure?

Martin John: No.

Q9 **Chair:** Have the staff seen the new structure?

Lois Austin: No. There is no new structure. There is no restructure document or some kind of managing organisational change framework document. Martin and I have dealt with this many times and we would expect those from a Government Department. They don't exist, and yet SCS3 and SCS2 have both been restructured.

Q10 **Chair:** How can they be restructured if we do not know what we are restructuring to?

Lois Austin: Exactly.

Q11 **Chair:** So it is literally 25% of staff being cut?

Martin John: Yes.

Q12 **Tracy Gilbert:** Am I right in thinking that the 1,885 number is arbitrary and is based on applying the 25% overall cut to staff? They know what their outcome needs to be, but there is no plan for it. The overall outcome they want to achieve is a 25% to 30% cut, which equates to 1,885 full-time posts. Normally it would be the other way about: you would have the restructure plan and then you would see which people had to leave to fit that plan. But here we have an outcome without any of the planning put in place.

Chair: Sorry for this cross-Committee conversation, but they might need 2,500 staff losses, 1,000 staff losses or no staff losses when they know what their model is. That goes back to your cart and horse.

Tracy Gilbert: Yes, that is the problem. You have an outcome without any understanding of how you are trying to achieve that outcome. Normally, the process would start the other way around if there was a restructuring: they might say, "We know we've got an overspend, so let's see how we rationalise that." But here there is no rationale, just the outcome.

Lois Austin: It is just an outcome. The new directors, who will be taking up their posts shortly, will be given the job of redesigning their new directorates. Again, that is really concerning, because you have new directors who have just been put in post, and it is now going to be up to them to design their new directorates and decide what work they will do.

Q13 **Chair:** But they must be basing that on something. The Shafik review, which the Committee was promised multiple times that it could see, considered what the new Department should look like, what its vision is and what the needs are, and therefore what the resources are. Is it your belief that this is based on the Shafik review? Are these people working to something that is just not in the public domain, or is it literally up to the directors to make their choices?

Lois Austin: Well, we have been told that it is up to the directors to design their directorates once they are in post. They have between now and Christmas to do it.

Q14 **Chair:** Between now and Christmas?

Lois Austin: Between now and Christmas to design it.

Q15 **Chair:** That is a month.

Lois Austin: Yes, it is a month, and that is our concern. This is rushed. You cannot do the redundancy mitigation that Martin talked about, you cannot redesign the organisation between now and Christmas, and you cannot have 1,885 people out the door by April next year, which is their intention. It is one great big mess. I actually feel sorry for HR colleagues at FCDO who are trying to get us stuff and put these processes in place. There just isn't the time to do it.

Q16 **James Naish:** When you say "they", where is the drive coming from? Is a consulting firm being brought in to add the speed and pace necessary to achieve this work, or is it being left to staff to deliver—or do you not know the answers to those questions?

Martin John: This appears to be led more by the permanent secretary. We have not seen any reference to any form of consultancy. Our main source is the *Financial Times* article by George Parker on 25 May this year.

Q17 **Brian Mathew:** I have some formal questions, but the answers to them will be useful. Lois, what implementation of this restructuring have you witnessed so far?

Lois Austin: So far, the directors general have been restructured. A new ExCom has been formed—or ExCo, as I think it is in FCDO—with the new DGs. There were some DGs who were not successful in securing a role, and we believe that the 2016 job protocols that were agreed between civil service unions and the Government were breached.

Those people were unsuccessful in securing a role, and a few days later they were given a letter telling them that they would be exiting the organisation in three months' time. We said, "We've got protocols that mean you cannot do that. You have to do a whole process of redundancy mitigation with the Cabinet Office, and have a period of reflection, before you issue compulsory redundancy notices." The response was, "We haven't issued compulsory redundancy notices. Nowhere does it say it's a compulsory redundancy notice."

We said that even though it does not say it is a compulsory redundancy notice, it is saying to someone that they are exiting the organisation in three months' time. That is completely outside the protocols, and no redundancy mitigation has been done. The civil service compensation scheme has legal requirements; it is a statutory document. For compulsory redundancy, you are supposed to give six months' notice to anyone with service before November 2016. In our view, none of that was done. The answer was, "We are going to negotiate the terms with these people. They can leave on voluntary terms if they like."

We said, "You are confusing the terms with the substance of what has happened here. You might offer voluntary terms, but it is still a compulsory redundancy notice, and you have not done all the mitigation you are supposed to, so you have breached our protocols." We hold those protocols dearly, because our members fought for those protocols and job protections—they actually went on strike to get them. That is a big issue for us.

That is the first thing that was done. Those directors general are supposed to be exiting on 1 December. I do not think that will happen, because they will not get their pension quotes or redundancy quotes in time, because of the crisis with My Civil Service Pension.

Then the Department started on the SCS2s—the directors who are going to sit at the heads of these new directorates. They have just completed that process. There are fewer directorates now than there were before, but we also know that seven of the directorate posts have been left vacant. They have not filled them. Again, that is alarming for us, because this is redundancy mitigation; surely you fill all the posts in your new structure with the staff you have.

We have asked today—our union reps are meeting with FCDO HR later today—what their intention is for the seven vacant posts. Are they going to advertise those posts externally? If so, they cannot do that, because that is not redundancy mitigation. Is it their intention to fill them with people applying on promotion? How are they going to do it? Again, we think that is outside our job protocols. The spirit of the protocols is that you do everything you can to avoid redundancies, and you do redundancy mitigation, so you fill all the posts.

Some of these directors are PCS union members, and they have spoken to us. They are very committed to the FCDO and to development work. They were told that they were high achieving, and they were always high achieving, high performing in post. They were told that they did a very good application and interview for a role, but they were unsuccessful—there was not a job that was a good fit for them.

Q18 **Chair:** But there are seven vacancies?

Lois Austin: Yes.

Chair: But these very skilled people were not competent enough to do them?

Lois Austin: Yes, they were not put into post.

Q19 **Chair:** How many people does that put at risk?

Lois Austin: I have been working that out this morning. We have not been fully consulted on this yet, and we will probably get the figures at the meeting that is taking place later today, but I think—I stand to be corrected—around 29 directors have not been appointed, so currently do not have a post.

Chair: Twenty-nine?

Lois Austin: Yes. Our concern is that many of them come from a development background.

Q20 **Chair:** Lois, I am not from the civil service. Are these people who would be at the level of an ambassador if they were in-country? Is it those sorts of posts?

Martin John: The overseas network is not part of this.

Q21 **Chair:** No, but they move in and out, don't they? I am just trying to get the level of seniority.

Martin John: That is a fair point. There will be people here who have served overseas, and there will be people displaced who would potentially serve again overseas in the future—for sure.

Chair: So these people are at the top of the tree. They have done their service and been exemplary all the way through, but apparently we cannot find jobs for them, and we have seven vacancies at their skill level.

Q22 **Sam Rushworth:** What grade are they?

Lois Austin: They are SCS2; the directors general are SCS3, and they are SCS2. They are going to deal with SCS1s next, but we do not think that will be until January.

Q23 **Tracy Gilbert:** What job have these people been asked to apply for? Have they been given a job description? If there is no structure in place, and they do not know what Department or role they are going to cover, how can anyone say whether they can do the job that they have been appointed to do?

Lois Austin: We are presuming that they were applying for a job as a new director in one of the new directorates.

Q24 **Chair:** They must have been decided.

Lois Austin: Yes, they would have been decided by ExCo.

Q25 **Brian Mathew:** I will go to the next formal question, which I think is quite useful. What is your assessment of the extent to which agreed processes have been adhered to on this occasion?

Lois Austin: We do not think they have been adhered to. We have been in correspondence, and PCS is actually in dispute with the Department over a breach of the protocols and the civil service compensation scheme. For example, we know that the directors have been told that it will be three months until they will be exiting the organisation, which we think is completely outside our protocols. Our concern is that the approach of the two PUSes and ExCo is that—in fact, we have had this in correspondence—they are relying on the legal minimums, as opposed to the agreements that the unions have in place with the Cabinet Office.

Martin John: An issue we have raised is that, under the protocols, the logical end point for people who are surplus is compulsory redundancy, but the whole point of the exercise is to avoid that. Currently, the Cabinet

Office holds the sign-off, and the PUS does not have the authority to make people compulsorily redundant without going to the Cabinet Office. There would be a stage that takes place at the Cabinet Office that would involve the trade unions of the individuals concerned. That is called a redundancy mitigation review, and that is all set out in those protocols as well.

Q26 **Brian Mathew:** What conversations have you had with the Department regarding your concerns?

Lois Austin: We are in dispute, and it is a dispute using the procedures and engagement framework that we have between the unions and the FCDO. We are in dispute, and we have just finished stage 1. We have a meeting this afternoon, but we are about to write to them to say, "None of our concerns has been sorted out, and therefore we want to move to stage 2 of the dispute process." We are not yet in a statutory dispute.

We want the Department to stop, pause and wait for the outcomes of these reviews; we want it to consult us on the rationale for all of this; and we want to see a workforce plan, starting from the top going right down to the bottom. Once you get to the delegated grades, which is primarily PCS members, you are talking about people in Abercrombie House in East Kilbride, where there are very few employment prospects if you are not working for the FCDO. You are talking about lower-grade staff who will find it very difficult to get redeployment when the rest of the civil service and public sector are contracting.

We are really worried that those in the delegated grades are going to be treated in the same way as those in the civil service grades, so we are in dispute. We are pushing back and we want the FCDO to stop, pause and do this properly. We want a rationale and the result of these consultations, and we want a document that tells us how they are going to do it, so that we know that there is a fair and consistent process, which we do not believe there to be at the moment.

Q27 **Janet Daby:** Have you been given an end date for when the reviews are likely to conclude, or any information on that?

Lois Austin: No. We found out only last week that there was a review into the consequences of the ODA cut, including what work could or could not be done any longer. We found that out only last week. We were like, "Oh, right. Can we be consulted about that please? Can we have a meeting with the strategy unit carrying out the review? This is really important. Why are you restructuring before we know the outcome of the review into what the ODA cuts mean for the Department? Surely that's ABC." So, no, we have not.

Q28 **Janet Daby:** Who do you have that conversation with?

Lois Austin: We have that conversation with HR. We have complained and said we really need to meet people higher up the food chain—the people making the decisions. We had one meeting in the past year with the PUS, Olly Robbins, but we have requested to meet people higher up the food chain, so that we can meet the people who are making decisions and convey to them at first hand the concerns of our members.

Q29 **James Naish:** I have a quick question. Do you have any idea of the value of the work? If you are talking about 2,000 jobs, give or take, do you know roughly how much of the FCDO's budget that would equate to, or have you not calculated that?

Lois Austin: No, not in terms of monetary value. The FCDO says it is to meet the spending review settlement. We said there are other ways to cut costs, so why don't we have a consultation on all of that—on the whole piece, so ways to cut costs without cutting staff and losing vital expertise? The response to that is, "You cannot save the amount of money that we need to save using other methods; it needs to be a big staff cut."

We are opposed to the job cuts, full stop. It is not just that none of it has been done right; we want to fight to maintain those jobs for our members. They are good-quality jobs. The FCDO, just across the road in Whitehall, is a very diverse Department. Those are important jobs, and our members are committed to the FCDO, particularly those who work on the development side.

The same goes for Abercrombie House. PCS is saying that the funding needs to be restored. We do not accept the spending review settlement; it should never have happened. We do not accept the cut to ODA. Really good stuff has been written—you will hear testimony in a minute—about the vital programmes being carried out in the developing world: feeding people, aid, and vaccination programmes. They will just stop.

Our members and reps have been emailing me this morning, because they knew we were coming to this Committee, talking about some of the work that is done in countries and the impact that the cut to ODA will have on the link to Britain's soft power, for example. They also asked me to raise with the Committee that you should investigate the cuts currently taking place to country-based staff in UK embassies. I think eight to 10 staff have been cut just in the last week in African countries. That needs to be investigated.

Chair: We want to come on to that. One other thing you have not mentioned is that this comes after five years of cuts. The uncertainty and pressure that these staff have been under are extraordinary. We absolutely owe them a debt of gratitude because they are very much our frontline. When my constituents are getting cut overseas, or when the poorest people in the world are being ethnically cleansed, it is our FCDO people who are out there fighting and making the difference.

My understanding is that there are still 200 vacancies on the development side. It seems curious to me that, on the one hand, the FCDO is trying to recruit and, on the other hand, there is this chilling spectre hanging over everybody now. It must be an awful situation. As you rightly say, these are very dedicated, committed people, and I feel for them.

Q30 **Tracy Gilbert:** On a point of clarification, you were talking about that escalation in the internal dispute system. At whose door does that eventually end up?

Lois Austin: I would imagine it is the PUS—that is where we would be heading—and the general secretary of PCS. At the moment, Martin and I have been dealing with it, but it will—

Q31 **Tracy Gilbert:** And from an internal FCDO point of view, whose desk does it end up on? Is it just higher up in HR?

Lois Austin: I would have to have another look at that, but I am presuming that at some point it will be at the PUS's door. We are also considering a trade dispute over the job cuts and the breach of our agreements.

Q32 **Tracy Gilbert:** Is there something in your agreement about freezing other recruitment while that goes on?

Martin John: We would expect to see that as an early redundancy mitigation measure.

Q33 **Tracy Gilbert:** And has that happened?

Martin John: Because they are not consulting on redundancy mitigation measures currently, we have not yet seen that. As far as we know—

Lois Austin: We have been complaining for several weeks that recruitment is still taking place. For example, our reps were being asked to come and do inductions for new staff about why they should join trade unions, and they were saying, "Why are we doing inductions when there's a job cuts programme?" What I think was happening was that the centre did not have control over what was happening across the whole organisation, so directors were paddling their own canoes in terms of external recruitment. Something has now gone out to say that all that has to stop.

Q34 **Chair:** Are you aware of any ministerial oversight of this?

Lois Austin: No, none at all.

Q35 **Chair:** That, for me, is the biggest worry, because it should be the Ministers who are setting the direction. It is absolutely the case that the PUSes do the logistics, the administration, the HR to make that happen, but what worries me is that that gap seems to be quite enormous right now.

Lois Austin: Yes, I have had to remind our union reps that the PUS is not elected.

Chair: Exactly.

Lois Austin: He is an official. He's there to do what the Government ask him to do; he's not a law unto himself. I think that is what is behind breaching our agreements—that he thinks he's a law unto himself and he can ignore our agreements. It's just a matter of law when it comes to redundancy law; we don't accept that. I think we wrote to David Lammy when all this was first announced, and we got no response from him, which is unfortunate. So we don't know of any ministerial oversight, but hopefully this Committee can try to get some ministerial oversight.

Q36 **Chair:** Is it possible to get a copy of that letter?

Lois Austin: Yes.

Chair: Thank you.

Q37 **David Taylor:** I want to follow up on the cuts overseas. It would be great if you could elaborate on what you think the implications of these will be.

Lois Austin: These are cuts to non-UK-based staff. Some of our reps and members overseas were sending stuff through, saying, "Lois, do you know they have cut eight staff here?"—or 10 staff somewhere else. I do not have the detail of that now; there is a nervousness from some of our reps about telling us what is going on, because they will all be applying for their own jobs at some point. But they wanted to make sure that this Committee knew that these cuts are happening to country-based staff. Union members who are working overseas have told us that their directors overseas have said, "We know big cuts are coming and we want to get ahead of the curve." That, again, is really worrying because we have not had the outcome of the overseas review yet, and yet country-based staff—

Q38 **Chair:** We have not had the outcome of any review.

Lois Austin: No, but country-based staff are being cut.

Q39 **Chair:** A number of overseas people have contacted me to say that they are all going through a process of review right now, and I think that is also part of the chilling effect—as you say, people are trying to get ahead of it, whether or not it comes. But the outcome is likely to be that people lose their jobs as a consequence.

Lois Austin: Yes.

Q40 **David Taylor:** Could you just reiterate the stats you mentioned earlier—the numbers that we are talking about?

Lois Austin: We were getting reports a few weeks ago of eight staff here, 10 staff there, in different embassies in different countries—mainly African countries. One of our union reps said to me this morning that, in the last week, eight staff have been cut from embassies in African countries. What we can do is go away and try to get you a fuller report on that.

Chair: That would be very helpful.

Lois Austin: But you have to bear in mind that there is a nervousness from our reps and members on the ground to give us stuff, basically.

Q41 **Chair:** Do you know whether it is UK or local staff being cut?

Lois Austin: It is staff employed locally in embassies who are being cut.

James Naish: Financially, that will not be making a big difference anyway.

Chair: No.

Q42 **Brian Mathew:** The UK staff overseas will be dealt with in exactly the same way as the UK staff here, presumably—those who are UK-based, and paying their taxes in the UK.

Martin John: Yes, they are not in scope of the restructuring. There is a separate overseas network review, which has not yet reported.

Lois Austin: The overseas staff are not part of the 1,885.

Q43 **Janet Daby:** Lois, you mentioned Abercrombie House and the implications for staff related to restructuring. Would either of you like to add anything else you are aware of about the implications for staff there? You mentioned DFID staff having the most experience, and staff from all different grades being quite worried. Is there anything else you would like to tell us on that?

Martin John: You probably will not be surprised to know that we talked to our Scottish-based colleagues about the impact. What we were fishing for was whether there might be redeployment opportunities. HMRC is also in East Kilbride, and the Scottish Government sector would be an area of interest, but there are cuts all over the place. As well as the great loss of expertise, we are worried about the scale of external redeployment options. That is an area of concern.

Lois Austin: It also contradicts the Government's places for growth strategy, which is about moving jobs out of London—although, as trade unionists, we do not support robbing Peter to pay Paul; I have children who need jobs in London. But there is supposed to be this strategy to move jobs out of London. It has been confirmed by the FCDO that it is going to maintain a presence in that part—

Chair: But a presence could be two people.

Lois Austin: Exactly. We need to know what a presence means.

Q44 **David Mundell:** That is very important. I was very disappointed, because there was a proposal for the development of a UK Government campus in Greater Glasgow—a new building. When the Committee was in Glasgow, the feedback to us was that Abercrombie House requires significant upgrading for all—particularly higher—levels of work to be done there. That is obviously a budgetary demand on a decreasing budget. Therefore, the concern is that the lack of facilities at Abercrombie House is being used as another reason why less people are required there. That is my concern. It is very important for Scotland to retain that expertise.

Lois Austin: Absolutely. Those are jobs in that part of the west of Scotland. Our members in Abercrombie House have a mix of views: some want to go to Glasgow; others live locally to Abercrombie House and do not want to go to Glasgow. What we have said is that we need to make sure that these jobs are kept and that there is a presence in this part of the west of Scotland. That is the most important thing.

Q45 **James Naish:** Could you clarify what the cadence of updates is? Are there weekly meetings? How structured is the approach? It sounds like absolute chaos.

Lois Austin: We meet HR twice a week. As I said, they are really doing their best. They are under enormous pressure to try to do all of this in the timescales, and it is not possible. We keep saying to them, "It's not possible. The task that you have been given is an impossible task." So we meet and we discuss, but what we have not had is the really important stuff that we need—we have not had a restructure document; we have not had an equality impact assessment that is meaningful, for example.

Q46 **James Naish:** Are they telling you that is coming?

Lois Austin: We have been told that is coming.

Q47 **James Naish:** And for how long have you been told it is coming?

Lois Austin: A couple of months. The announcement in the *Financial Times* was in May, and then there were staff meetings throughout the summer. Since then, we have been saying, "Right, okay. How are you going to do this? Where's the business case? Where's the rationale? Where's the analysis of all the work that is currently done? Where's the organisation redesign and where's your managing organisational change framework document?"

We have been told that the rationale is the spending review settlement, and we have been told that the restructure document is coming. We were given one document, which we did not think was fit for purpose, so we said, "You cannot restructure an organisation in that way. You need to take that away." We have sent several letters about the restructuring document—what it should consist of, how it should be done. We have not yet had a full response to those letters. But the point is that the restructure is under way. Two grades—SCS3 and SCS2—have been restructured. Directorates are being redesigned between now and Christmas, and then they start on the rest of the organisation. We have none of that stuff.

Q48 **Chair:** The reason we are having this session today is that we raised it with the Minister, who appeared unaware of the detail of this and asked for this session. Listening to the two of you, I am just wondering, if we hadn't got you here to put this under a spotlight, do you think the plan would have been just to roll it all under the carpet and then say, "Oops, it's January"?

Lois Austin: Absolutely. I think we have slowed them down a bit. I think they have had to say, "We're not going to breach the protocols," but I don't think they agree with us on what the protocols mean and consist of. They said, "We haven't breached the protocols," but they have in our view. They do not agree with us on what the protocols mean. I think that they were just going to do it from summer—from May or August. They did the restructure of the DGs over the summer, and then they wanted all that work finished by April, and just to apply the legal minimums in terms of 25% of staff at this grade, 25% of staff at that grade out the door, and three months' notice.

Q49 **Chair:** Is this happening in all Departments, or just FCDO?

Martin John: I think this is quite specific to FCDO. There are other Departments where there are large cuts, and there are other Departments where we are likely to be in dispute over compliance with the exact contents of the protocols. But the FCDO does seem to be an outlier in terms of twice-a-week meetings at which there is not really a great deal to say.

I would again make the point about the difficulties with the civil service pension administration, because I think they walked into that without having seen it coming. If you are going to rely on people deciding to leave voluntarily in order to get your numbers, it is only reasonable to expect that people will need to know exactly what those offers are, and the pension administrator that would do that. We know that the pension administrator is not going to be in a position to do that before the end of the year. That would appear to be something that is going to have to work its way out in the early part of 2026. Were that approach to be successful, I am sure that people here would be concerned about what knowledge and expertise would be lost if people were forced into a choice that is not really a choice.

Q50 **Chair:** I think that is one of my big concerns: if people take voluntary redundancy, what happens if a whole Department goes? By the nature of it, I would imagine it is going to be the more experienced people who can either get another job or are reaching retirement age. Think about that breadth of knowledge. We were very damning about DOGE in the US getting rid of databases of information, but our people are our databases of information. If we lose those, I do not know what resilience the Department has.

Lois Austin: We need to look closely at this, and we have not yet had a chance to do so because the restructure of the directors has only just happened. Union reps will today ask about the detail of that, and exactly who does not have a job or role in the new structure, and what expertise they have. They will also be asking about the balance between the development side and the diplomatic side, because we are really concerned that that is where we are going to lose the skills and expertise.

As Martin said, because the job cut is so huge, there is so much uncertainty, and people are so worried, we are also worried that people are going to jump—opt to go—on a voluntary scheme.

Chair: Absolutely. This has been going for five years.

Q51 **James Naish:** Have you seen any evidence of that already? Obviously, the cuts were announced in February; we were actually on the way to Abercrombie House as they were announced. Have you seen evidence of the workforce starting to leave? Is that part of the strategy?

Lois Austin: Possibly it is. There was a voluntary exit scheme early in the year, and I think around 500 exited the organisation through that. They have not launched a new scheme yet; they are just about to launch expressions of interest.

Q52 **Chair:** Have you seen a skills audit of those who left?

Lois Austin: No, we haven't, but we can ask for that.

Chair: It would be very interesting.

Lois Austin: They are about to launch expressions of interest for a new voluntary exit scheme. Again, we will have to look at that, monitor it, and see who is leaving. They have made the point that they reserve the right to say, "No—certain people can't go if we want their expertise."

Q53 **Chair:** But if you don't know what expertise you want, how are you going to do that?

Lois Austin: Yes. If you have not done a skills audit, how do you do it? People are not going to say, "I speak Mandarin and Russian—please give me a redundancy payment," are they?

Q54 **James Naish:** That 500 is not part of the 1,885. That 1,885 is on top of the 500.

Lois Austin: It is on top of that. We have asked that question: the 1,885 is on top of the 500 who have already gone.

Q55 **Sam Rushworth:** It is not a good time to work in international development on either side of the pond, is it? You have already alluded to the fact that it is not going to be easy for a lot of these people to be re-employed because they are genuinely experts in their field. Do you have a sense from the staff you are working with of how this will impact on the development mission of the FCDO?

Lois Austin: That is a really good question, and we are trying to get to the bottom of that. Now that we have the outcome of the director restructure, we will be asking those questions. We do know, as I said earlier, that there is a review, which we did not know about until last week. We sort of found out by accident. We have asked to be consulted about that, and for the people who are carrying out that review to come and talk to us. That has been agreed to, so we should get more information.

In terms of the new directorates, we know that the two directorates in the new structure that deal with development—the humanitarian directorate and the human development directorate—have not had a director appointed to them.

Q56 **Sam Rushworth:** Will they?

Lois Austin: Again, that is a question. We have only just found this out in the last few days. We are going to ask that question. Seven new director roles have had nobody appointed to them. On the development side, it is very concerning that those two main ones have not had anyone appointed. We need to ask, why not? Out of the 29 directors who have not been appointed, was there nobody among them who came from a development background and would have had the expertise to fill those roles? We need to get to the bottom of that.

Chair: My other concern is that humanitarian is very different from development. I know that the Government are planning to focus on humanitarian and multilateral. That raises the concern of what is actually going to happen with what we would traditionally see as development.

Tracy Gilbert: It would be good to see that structure—where vacancies currently exist, what they have managed to fill and what is still available—so that we can at least get a sense of what whoever is making this vision intends.

Sam Rushworth: The missing thing for the Committee is understanding the business case. Is this simply driven by a need to get headcount down—essentially the bottom line is that we need to save money, come what may, and get rid of staff in the most painless way possible—or has there been at least some analysis of where they think there is wastage or inefficiency in the system and you could make some sort of saving while still basically delivering the same outputs?

David Mundell: It is entirely consistent with Minister Malhotra's response to the ODA Westminster Hall debate, when she did not set out any clear strategic objectives. In my view, it is obviously the former.

Q57 **Sam Rushworth:** Has anything been said around the strategy and where they see possible waste or efficiency savings?

Martin John: The problem is that they do not share that information with us. To an extent, that is for understandable reasons.

Lois Austin: They have either got it but have not shared it, or they do not know it and we do not have it.

Martin John: We cannot really give you an answer.

Sam Rushworth: Could we ask the Minister?

Janet Daby: You probably need to know the terms of reference for the review as well. What does that entail and what is it about? You need to know the detail and have a look and question that.

Chair: Sam, you asked whether we could ask the Minister. On 28 October, in the Committee's session on Sudan, the Development Minister said that she would come before the Committee with her PUS to interrogate all of this. Now she is unavailable.

James Naish: Is this the Development Minister or the Foreign Secretary overall, because these staff are ultimately all part of the FCDO?

Chair: The Development Minister asked the Committee to have today's session and to be in front of us with her PUS. She is a strong woman, and I think she knows her own mind, so it is unusual.

Sam Rushworth: Presumably there is an internal document that they could share with us that explains the logic of what they are doing and how they feel that they can still deliver?

Chair: One would hope so.

Q58 **Tracy Gilbert:** If they have announced the compulsory redundancy, potentially, of 1,885 staff, there is a legal requirement for them to share that information with you, and to give you the rationale for the business case, for the trade unions to agree it. Otherwise, you are in legal territory, which will ultimately be your fundamental dispute. When you are asking HR for that evidence—the terms of reference and business case—what are they coming to you with? Are they just saying that the cuts have to be made? Is that as much as you are getting?

Martin John: There is no pretence on their part that they are discussing their structure design with us. There are Government Departments that would take a different approach and would want us to think that we were being consulted about the new structure, but there has been nothing like that. That does not mean that it does not exist, but it has not been shared with us in any form. We pick up bits and pieces of information that come from members. Some of those members are in quite senior job roles. For example, we know that there must be some work behind the restructure because we have seen job specs for director roles.

Q59 **Chair:** Someone has written them.

Martin John: Yes, exactly. Whether we would expect that level of consultation or not, it has not taken place. What we tend to get is: "This is how we're going to approach this particular stage." When you look at that stuff, and you have people from the branch with you, the impression I have is that when the hard questions are asked, they say: "Well, this is early thinking. We'll come back to you next week with another draft."

Chair: I understand that, but this is people's lives and our international standing. The poorest and most vulnerable people in the world depend on the outcomes. It is not that the FCDO is doing this on the hoof, but it feels very numbers driven. I think there is a cascade going on, so we get the top people in and then let them sort out their bits. I am assuming it is hoped that they are not going to need to come up with the restructure document, because they will have shed enough just from the chilling effect of all this.

I am concerned about ministerial oversight, I am concerned about the resilience of the Department going forward, and I am really concerned about those poor staff who are trying to do their jobs in the most difficult circumstances, without this being layered on top.

Q60 **Janet Daby:** Lois, you mentioned that there were some overseas cuts, particularly in the African countries, involving the local staff on the ground. I am interested in having more information about why local staff were viewed as essential for some of that overseas work, and the implications of those staff no longer being in place. Do you have any information about that, or do you share any of those concerns?

Lois Austin: Our reps and members on the ground in those countries are really concerned, and their messages are coming to me saying that country-based staff employed in embassies are being cut, and, "You need to make sure that the Committee knows about that." I can go away and get more information for you about that.

Q61 **Chair:** It would be interesting to know if there has been a directive to look at your staffing structure and cuts, or if this is something that people are doing because they assume that they need to.

Lois Austin: Our reps have said that they think directors want to get ahead of the curve; that is how they have explained it to me. If that is true, it is really worrying, because it means that local staff are being shed before we have had the overseas review. By the way, there are terms of reference for the overseas review, which we have just had—we have not had terms of reference for any of the other reviews—so we can share those.

Q62 **Chair:** That would be helpful. Finally, am I correct in assuming that other unions are working on this, that you are working with them and that everyone is getting the same message—or lack of message?

Martin John: Yes. In fact, the first shot across the bows on the protocols for the avoidance of redundancies was fired by the FDA, when the directors general were told that if they were not successful in getting a post, they would be out of the door before the end of the year.

The main unions in FCDO are PCS and the FDA. Obviously, there are other unions—

Lois Austin: Prospect.

Martin John: Yes, Prospect as well. There is a combined trade union side, it meets, and it has formally registered the dispute, hasn't it?

Lois Austin: The trade union side has not. At the moment, it is PCS that has registered a dispute. We wanted the other unions to join us in that, but they said they were not quite ready yet to join us in dispute. As Martin said, the directors general were effectively given a compulsory redundancy notice, but we were told that it was not a compulsory redundancy notice. They are FDA members, so they led the charge on that issue.

Q63 **Chair:** Presumably, when they got the redundancy notice that wasn't a redundancy notice, they got some sort of settlement alongside that, and that is public money. Is that right?

Martin John: Yes. We do not know any details. We are talking about a small group of people, so they will be individually identifiable.

Chair: Fair enough.

Q64 **James Naish:** May I clarify? Relative to the last time you went through something similar in the FCDO, albeit not on this scale, what is the sense of change? Were you speaking to people at different levels in those previous instances, compared with now? What would be the three or four identifiable differences, so we can say, “This is how this experience is distinctive from other genuine FCDO experiences”?

Lois Austin: At FCDO, I have not—

Martin John: Nor have I.

Lois Austin: —because I have been an official there for only about a year, but I know the merger of the FCO and DFID has been working its way through for several years in terms of aligning conditions and stuff like that. I have done restructures before, although I do not think any as big as this, where we are talking about cutting 25% or 30% of staff. We had arguments about how it was to be done with the Ministry of Justice and DEFRA, but nothing like this. We had a business case, a huge, big restructure document about how we were going to move through the grades, matching people to roles or mapping people into roles with a certain amount of training and support, or a trial period in that role—

Q65 **Chair:** You are seeing none of that?

Lois Austin: None of that. I can remember sitting in the Cabinet Office in one of the tiny little rooms, dealing with redundancies at the Ministry of Justice, going through lists of names and talking about how we were going to redeploy individuals, such as disabled members of staff who needed reasonable adjustments put in place if they were to take up a post somewhere else. I cannot see how that work is going to be done in these timescales.

Q66 **Chair:** If I can push you on that: that might happen, but it is not possible in the timescales that are being set out?

Lois Austin: Yes.

Q67 **Chair:** So we have to hope that the Department does the right thing.

Lois Austin: We do, absolutely, but what is worrying is that, for example, on the redundancy mitigation for directors, they have already received an at-risk notice and been told that they will be exiting—the ones who were not successful have been put at risk and told that, potentially, if they do not find a new role, they could be exiting the organisation in three months’ time. Redundancy mitigation is being done when those who have not secured a new role already have a date for when they are going to leave. They have just three months of redundancy mitigation. That is not in the spirit of the 2016 job protection—

Q68 **Chair:** I thought consultation had to be part of this process.

Martin John: Yes, it does. That is one of the main reasons why we view it as being completely non-compliant.

Chair: Right. Let us end on that point. I will be grateful if you keep us updated as much as you can. We will be pushing on this, because the FCDO staff are our most valuable asset in delivering good value for money in ODA. They are literally on the frontline of our reputation. Thank you both very much.

Examination of Witnesses

Witnesses: Professor Emma Mawdsley, Freddie Carver, Anna Schuesterl and Gideon Rabinowitz.

Q69 **Chair:** Welcome, and thank you all for coming. May I ask you to zip down the line to introduce yourselves and the organisations you are here to represent?

Freddie Carver: My name is Freddie Carver. I am the director of the humanitarian policy group at ODI Global.

Anna Schuesterl: I am Anna Schuesterl, director of communications for ODI Global.

Gideon Rabinowitz: Good afternoon. I am Gideon Rabinowitz. I am director of policy and advocacy for BOND, which is the representative body for international development charities in the UK.

Professor Mawdsley: Hi, I am Emma Mawdsley, an academic at Cambridge University.

Chair: Thank you all for coming. You were in the room to hear about all the staff changes that are going forward at pace. We thought that we were having you here just to talk about the future of aid, our ongoing inquiry—thank you for your submissions to that—but I think we need to focus on the reality on the ground right now.

Q70 **Tracy Gilbert:** Gideon, what risks are there to the UK's ability to deliver effective humanitarian and development work from a 20% reduction in staff?

Gideon Rabinowitz: If I may, I will make quite a few points quickly and am then happy to come back to anything you want to dig into.

First, there is consensus that the merger of DFID and the FCO clearly led to a very significant loss in development capability. Maybe that has been paused, and I do remember the permanent secretary saying that some new posts had been added on the development side, but we have not got back to where we were before the merger. Now there is a real risk that it leads to a very serious further decline in development capability. Obviously, you need a strategy to guide where you still need that capability. The questions you were asking the previous panel are absolutely the right ones. If you do not have a strategy to define and guide the process, how do you know you are going to have the right capacity and capability to address the challenges you want to continue engaging on?

As has already been noted, directorates are being merged. At the director general level, we used to have a director of humanitarian and development and a separate one for economic, climate and global issues. Those have now been merged into one, called global issues. We are yet to be informed of what that means. At each level, you have fewer senior-level people able to be engaged across the Department in sharing their expertise and oversight in working around these development issues. That is a real challenge.

We are now spending proportionally more money through multilaterals. I think there is a somewhat false sense that that means you need fewer staff. In fact, you need staff to be able to engage those multilaterals and make sure they are focused on the right things, following through on their reform plans, and that you have the correct understanding of what they do to engage them effectively. That is a serious challenge.

The Government have said we'll have less money in a number of policy areas, but that we still want to be engaged on policy and use our diplomatic might. For example, we are obviously very concerned about the scale of reductions in spending on gender, but the Government say we will still be in spaces globally to influence policy and international action on gender. How are you going to do that with less capacity?

Q71 **Chair:** I keep hearing that all the gender advisers are being got rid of. Have you heard that?

Gideon Rabinowitz: We are hearing that those roles are under threat, yes. I do not have specifics, but I can find that out for you and share that with the Committee.

The Development Minister has been very clear that the Department is going to move toward four major shifts in the way it delivers. I will not go through those, as you have heard about them from the Minister, but how are those shifts defined? How are they conceptualised? How are you going to support country offices to deliver them consistently and effectively, to deal with all the risks that are involved in stopping service delivery, for example, and moving to building capacity. How can you do that effectively without the right capacity centrally?

Then there are complex policy changes, in which you need the right capacity and expertise to be able to deliver effectively. One example is conflict and security. What we are hearing is that they are merging units working on conflict and stabilisation, human rights and humanitarian into joint units. What is guiding that? How do you know you are not losing expertise that will be fundamental to delivering effectively in each of those areas?

One final macro point. We are told that the aid reduction is temporary and that when fiscal conditions improve, aid will start increasing again. If this is a change 2030 process and we get to 2030 with a Department that is significantly smaller, how is it going to deliver the uplift in aid that we hope will come when the economic prospects look better? There is a bit of a question. Is there already an assumption that this is the world we are going to stay in for some time? That raises questions on the Government's ambitions and intentions around aid levels in general.

Q72 **Tracy Gilbert:** You have touched on some of the risks in this strategy. Could you give some specifics where you think there are risks to the accountability of UK ODA under the circumstances? How could we mitigate some of that if that goes ahead?

Gideon Rabinowitz: In recent years, since the merger of DFID and the FCO, this Committee and others have asked how effectively the oversight mechanisms that were in place, in DFID for example, have been sustained and maintained in order to safeguard spending, to ensure we are securing value for money and to report on development impacts. I think there is a serious risk that without adequate capacity to ensure that those processes and systems are in place, we will struggle to focus on oversight and reporting on development impact, for example.

For us, one of the indicators of this is that, since the merger, there has been far less information generated by the FCDO on what impact it has had across its programmes. We used to see in DFID annual reports a detailed results and reporting section, where we could look across all the human development areas—including conflict, security, engagement on rights and gender and so on—to see the impacts of programmes. We have seen far less of that since the merger, which tells us that, on some level, those systems are not quite what they were. The prospect of putting those back in place at the level that is required to do that oversight and reporting on value for money and impact is much weaker with less capacity in the centre.

Q73 **Tracy Gilbert:** What are the potential impacts on the lives of the extremely poor, should these cuts materialise?

Gideon Rabinowitz: First, the overall aid cuts obviously risk major implications. For example, we welcomed the level of funding given to Gavi, the Vaccine Alliance and the Global Fund to Fight AIDS, Tuberculosis and Malaria. The funding that is being provided will save lots of lives and prevent millions of infections, but we have to recognise that, in the case of Gavi, it is 24% less than the previous pledge and, in the case of the Global Fund, it is 15% less than the original pledge.

Analysis by organisations that are members of BOND suggests that this will lead to over 500,000 additional deaths from those diseases, as a result of that funding not being in the system set up by Gavi and the Global Fund. That is just one area and one indication of the number of lives at stake. One of our members, Save the Children, estimated that 55 million people will be affected by the reduction in services and support as a result of the aid cuts that are already being implemented.

Q74 **Chair:** Is that just UK aid cuts, or is it international cuts?

Gideon Rabinowitz: Yes, UK aid cuts.

Chair: Wow.

Q75 **Brian Mathew:** I will start with you, Freddie, but the rest of you will probably want to have your say on this as well. We hear that by 2030, two thirds of the world's extreme poor are likely to be living in fragile and conflict-affected states. Are the spending and policy priorities for ODA fit for purpose, given where the bulk of the world's poor are situated?

Freddie Carver: You have put your finger on an absolutely critical point in this whole discussion. We at ODI are extremely concerned about the capacity of the FCDO to shape this agenda going forward. This is really going to be at the core of the future humanitarian agenda, development agenda and security agenda, so it is a really major concern.

These are often environments where the global system has struggled to identify appropriate long-term solutions, and where humanitarian programming has acted as a sticking plaster. We think about contexts that I am sure you are familiar with, such as South Sudan, Somalia and DRC—countries that have had humanitarian operations running into the hundreds of millions in place for many years. Those programmes are there not because of high-profile, immediate crises, but because, frankly, we do not have any better options. We have extreme poor in extreme situations of precarity, for which we have few other alternatives. To some extent, with the cuts that are taking place, in countries like Sudan and Gaza—the priorities that are hitting the headlines every day—there is going to be a degree of mitigation or protection. I do not want to underestimate the impact in places like that as well, but these chronically fragile settings are really going to be in serious trouble. Across the international system, we do not see the required thinking about what the alternatives are.

At the same time as the humanitarian system is looking to step back from these places and to prioritise its resources on the most pressing crises, we also have signals from the multilateral development banks, particularly the World Bank, that they need to focus on what they consider is their core business. This is a huge policy issue for not just the UK but others.

We have a very large population who are vulnerable, and the key dimension of these environments is their complexity. You need to be able to navigate very complex governance environments. You need to be able to work with state and non-state actors. Every fragile setting is different and operates in a complex geopolitical environment. I know that you have done a lot of work on Sudan, which is a classic example where you need to think about geopolitics, development, humanitarian assistance, atrocity prevention and regional dynamics. All that needs to come together.

What we see and hear about the changes happening in the FCDO, which you have been looking into over the past hour, is that we are ending up with siloing—in a way, a return to people being kept in little boxes—and a lot of association still, despite how long it has been since the merger, of expertise with development spending. The question therefore is about how you are going to bring together that integrated capacity to deliver the kind of political and aid effect that we need to make a difference in these dynamics. It is very unclear how that is going to take place.

The last point I will make goes back to the one you have been pressing on, which is, where is the strategy? Fine, the FCDO needs to make choices. We can debate the cuts that are being made, but if you are going to make those cuts and this kind of staffing decision, then you better go into it with a very clear plan about what your priorities and values are. I want to emphasise this as well: another issue that the FCDO needs to think about is that, if we are going to have a viable humanitarian system going forwards, we need a broader conversation about the norms that underpin it. The traditional donors no longer have a monopoly on those norms. In fact, in some cases, they are the ones threatening those norms, so the FCDO needs to drive an important multilateral policy conversation, but it also needs capacity on the ground to focus on that. Where are the choices? Where is the prioritisation that will enable that?

Brian Mathew: Do any of the rest of you want to comment?

Anna Schuesterl: On the angle of the donor-to-investor shift, what is underestimated are the systems. Ideally, we want to work towards systems that work in the countries that need assistance, but to get some of these systems running depends on the country and where they are at with their regulatory and financial environment. There is a question of strategy—which countries are being targeted—because the return will be delayed depending on which country it is. That creates a challenge for communication with taxpayers as well, such as, where are the changes? Why do we not see them yet? If the staffing is being cut, especially in-country, these relationships cannot be built, because system change requires trust and expertise over time, so it needs staff retention and people being there. At this point, therefore, it is quite difficult to see how the donor-to-investor shift in this systemic change happens if it is not staffed.

Q76 **Brian Mathew:** The next question is fairly specific, so let's see who can answer it. What would be the possible impact if teams such as the atrocity prevention team were to experience a reduction in staff? I have heard that they have not been involved in Sudan—whether that is true, I do not know, so it would be interesting to hear—and that it is likely that the whole of that department is to be axed.

Freddie Carver: I cannot speak to the specifics of the nature of the conversation or the conversations that have happened around Sudan policy, but I think that that is a real concern. I have spoken to people who are anxious. It goes back to the point about integration. I have heard that about the human rights capacity, to the extent that it is being retained—in the latest organograms I have seen, I did not see conflict, let alone human rights or atrocity prevention. It is unclear where those things are going to sit. It is also very unclear that those capacities will come together. Two things are needed: one is about having those capacities well enough resourced and able to be surged when needed; and the second thing is about having the leadership to ensure that that capacity and expertise are going to be listened to. I would have concerns on both fronts.

Q77 **Sam Rushworth:** You just mentioned that you have seen organograms—

we haven't. How were you able to acquire those, and would you share them with us? You probably heard the previous session, and we are confused as to what the strategy is.

Freddie Carver: I wouldn't say I have seen a strategy, but I have a feeling that what I have seen is the same image that the previous speakers have seen. So, yes, I am happy to share.

Sam Rushworth: The organogram that you have seen gets rid of atrocity prevention?

Freddie Carver: It is at a different level. What I have seen is very much a top line. I think the point is that, talking to people, there is a lot of uncertainty about where some of these pieces will come together. As I say, going back to what I said before, there is real concern about a degree of siloing that is going on.

Q78 **Sam Rushworth:** I would be surprised if that is the case, because I know how keen the Government are to solve the asylum crisis, and I am sure they would want to look at push factors as well as pull factors within the strategy.

Gideon Rabinowitz: There is consensus internationally that a growing proportion of extreme poverty and global challenges are in fragile states. Whatever strategy the Department comes up with, either behind the scenes or in the future, that will be a fundamental element of it and a core part of it. In your opportunities to engage Ministers and the permanent secretary, I would ask them, "How are you making sure that you are safeguarding capacity to engage on the challenges in fragile states?" Without that, they are taking their eye off the ball from a development perspective and not focusing on the right things. That would be a very clear indicator that there is a problem, in my view.

Q79 **Chair:** Freddie, you also talked about the risk of siloing, which made me wonder what conversations are being had with the other Departments. For example, we are losing skills in climate finance in FCDO, but we are building those up in DESNZ. Have you heard anything about that?

Gideon Rabinowitz: No.

Freddie Carver: I think there would be very legitimate questions to ask, particularly on issues of security. If we think about all the work that has been done over 20 years on bringing together development, diplomatic, defence and resources, are we going to be in a position at the end of this where that is any easier? I suspect not.

Q80 **Chair:** Emma, on the four essential shifts, correct me if I am wrong but I do not see how international NGOs fit within that structure. Do you see a place for UK-based NGOs within those four essential shifts?

Professor Mawdsley: Yes, definitely. One of the essential shifts that I am very troubled by is the donor to investor. I think that is a fundamental mistake.

Q81 **Chair:** Why?

Professor Mawdsley: Because it still focuses on what we put in. All the global discussion in the last five or six years, and indeed longer in terms of aid, is, how do we turn the taps on? But the bathtub has got great big holes in—enormous holes. I am sure you know the figures better than me. At least $35 billion a year leaves sub-Saharan Africa through tax avoidance alone. Once you get to legal profit repatriation—we have created a global financial system that enables excessive repatriation of profits into offshore, usually offshore tax havens and so on—it is $100 billion of illicit finance.

Of course, in some places, that investment is a very good tool, but it is being treated as if all we need to do is replace aid with blended finance in order to invest to create jobs and economic growth. But that is saying, "Don't look at the holes in the bathtub. We don't want to see it." In fact, you pour more of that money in and more of it circulates back up into the British Virgin Islands—or the 0.1%, if you like. To me, that seems to be using taxpayers' money to travel through and not leave very much value, say, in African partners.

Q82 **Chair:** Where would NGOs fit in?

Professor Mawdsley: Sorry—I got stuck on that one.

Chair: I can tell it is a pet project, and you are right to raise it.

Professor Mawdsley: One of the connections would be the brilliant work done by NGOs on this knowledge base. The organisations present here—Oxfam, Tax Justice Network, Global Justice—are the ones doing the hard work to get those figures. Academics are often very rigorous and not very good at telling their story. We work with them. In some ways I would say that the role that they play is more important than elements of service delivery right now, which should not be swept away as it is.

For INGOs, the two things I would prioritise are the knowledge support that they provide for where the real economic injustices and enduring poverty are produced, and the networks down into localised organisations. It is not perfect. I am one of many who have worked on some of the inequalities of power across international NGO networks. However, the truth is that many of them do it very well, and no worse than anywhere else. If they have solid relationships with local organisations, then that is a role that they could play too.

Q83 **Chair:** Could they fill the gap if the FCDO staff are gone?

Professor Mawdsley: No, I do not think so in all areas. I do not know. It depends on what context and what we are talking about.

Q84 **David Taylor:** What is the panel's assessment of the Government's record on communicating the results of UK aid and development with the British public, including the implications of the cuts that were made to development education many years ago?

Gideon Rabinowitz: Some very interesting work was done on development awareness 10 or 15 years ago. There were questions about whether it was prioritised correctly and spent on the right things. But there was tremendous value in that work in ensuring wider understanding of the UK's overseas work and helping make taxpayers aware of the value added. There were some valuable things that could have been learned from that effort. Maybe it needed to be refocused, but it has just disappeared as an element of what we do.

I made the point earlier about results reporting and reporting on impact. As advocates for the UK's aid and development efforts, we relied a lot on seeing that information come through from DFID. We hoped that we would get the same level of information through from the FCDO because it gave us the resource to engage in debates. We need to have debates about the value of UK aid and communicate with our supporters and networks about what was being achieved. We need to see a renewed level of investment so that we can communicate that information publicly and there is the right level of scrutiny, accountability and focus on what we are achieving and correct focusing of the resource. That information needs to be invested in much more effectively.

We have seen some positive signs in engaging with FCDO's communication directorate around its interests and efforts to engage publicly on the work of the Department and its impact. We are really looking forward to a more ambitious and focused partnership moving forward. We are seeing the right signs, but there is a lot more to do.

Professor Mawdsley: On the public thing, it is difficult to tell. All of that research found it quite difficult to elicit what different people thought. David Cameron and Andrew Mitchell really worked to sustain what Stefan Dercon called an elite consensus around aid. For a short time that sort of held, and then it was undone with Boris Johnson and others. It seems to me that the majority of the British public are a long way from being persuaded by the "doing good" message right now, and they were not particularly persuaded by the "aid in the national good" message either. Looking forward, we need to move the ground around this and talk much more about shared interests.

We have shared interests. Young people, in particular, might be caught up with global public goods like climate change mitigation, adaptation and biodiversity. Perhaps older people, by dealing with pandemics, will be caught up with antimicrobial resistance. The one I really like, and am going to cycle back to, is tax justice. What if we said that Amazon is not paying tax in South Africa, Zimbabwe or the UK? There is a lot of generosity in the British public, and that will go in particular directions. It would be a mistake to try to harness new support through that generosity charity-type model right now, when people are feeling desperately under economic pressure. But there might be possibilities for more solidarities to emerge and a stronger sense of having a shared interest in those things.

Anna Schuesterl: I want to add something from more of a generic communications perspective. Because it is a complex issue, and it is global and quite intrinsic, sometimes with the voter who is looking at their sphere of influence, it gets lost. From a communications point of view, you are trying to translate what a complex system means for me as an individual. For example, if I am concerned about migration or whether I can get something in a supermarket, it is almost breaking down this complex narrative to, "How does it affect me?" In the current environment we are operating in, that is really important. I think there is a skill there in the translation sense, for communications professionals, that is quite important.

Freddie Carver: I have one point to add. There is also an issue of coherence. If the Government are going to engage in the kind of rhetoric that we have seen recently around migration and displacement, it is going to be very hard to have an equivalent argument about solidarity and shared values. I wonder whether that is coming together in any way.

Anna Schuesterl: What is fragility really about? It is a global world order that is quite insecure, and it does affect the UK. This is important because Britain is safer if the world is safer, and that message has not really come across.

Q85 **David Taylor:** How important do you see development education being, and what is the current state of it in the UK school system? What needs to be done to improve it? My personal view is that those cuts 10 years ago undermined public support—maybe not immediately, but in the years since. Where is the new generation of people coming forward who really care about these issues in the way that our generation did?

Gideon Rabinowitz: It is a real concern. Obviously, I am not an expert on the curricular element of this, and how pervasive it is across the school system. But looking back at that period, that would have probably been the main resource—probably the only dedicated resource—that was available in schools to educate and engage children on these issues. I would imagine in the current constraints of the schooling environment, there is probably virtually no resource currently invested in that area.

You are right that it does contribute to the challenge of the next generation understanding not only morally why this is important, but how it links to so many of the things that we care about in the UK, and the ways in which development overseas affects us here. It is a real problem.

As the international NGO sector, we are having more discussions than ever about how we play our part in helping to bring attention to these issues. There is only so much we can do. We would love to have more of a partnership with the Government on these challenges. We know that resources are constrained, but there is a value in having an electorate that better understands these issues. If we design programmes in ways that focus on that value and where it can add value, I think we can do some really good work. We would love you to bring that question to the Government's attention.

Q86 **Chair:** I am going to push back on you, because you work for BOND, which is a membership umbrella organisation for NGOs that are delivering a really broad range of development work. You linked it to an electorate issue. I would say that it is a citizen issue. We are online now. Could your members not each do a little video? Whenever I go into my primary schools, they are obsessed with climate justice. The teachers are really keen to have things that they can share with the children. Your members could come up with 10-minute videos. I do not know why it is the Government's role to do that—in partnership, yes, but why can't the sector do this?

Gideon Rabinowitz: It absolutely needs to be part of our job, and there is definitely far more for us to do. In the current context where we are seeing increasing questions in the media and publicly about our own development efforts, we are hearing voices say that we should really scrap virtually everything that we do in this space. That is a serious wake-up call for us to be much more active in finding clever and engaging ways to have that conversation with the public. We would benefit, though, from having a partnership with the Government on this, because at the end of the day, the Government spend more than our members do, and the Government are engaged in different ways to complement what we do. We need to do this as a partnership.

Q87 **David Mundell:** I am glad to hear you say that you have had that wake-up call, because you do not always convey that. Even in your opening remarks, Gideon—with all due respect—you suggested that we were going to go back to an increased level of spending. We had a very good debate on ODA recently in Westminster Hall, and the general cross-party consensus among MPs was that there will not be an increase unless we can deal with the issue that we are addressing, which is that there was a rise in public support. You have a big part to play in that—of course, we do too, and I do not think any member of the Committee would diminish our responsibility and leadership in that regard. The sector has a big responsibility.

We were in the US in September, and there was a general acceptance there that, even if there was a Democratic President tomorrow, there would be very little change in the US position, because it is actually underpinned by where the public are. What we did see there was that US NGOs were really starting to have a different mindset about how they need to approach issues, because we are not going back to the level of Government funding that we have experienced before.

Gideon Rabinowitz: I agree.

Chair: Emma, I know you are trying to get in. Can I just bring Brian in first?

Q88 **Brian Mathew:** I just wanted to give you some ammunition. Today, the International Organisation for Migration said that the single largest number of children coming unaccompanied to the UK at the moment is from Sudan. Guess what? The world's worst catastrophe is happening there.

Professor Mawdsley: I agree with you; I think we cannot make a rearguard attempt to defend aid—this is why it is so alarming to hear about the lack of strategy. As I am sure everyone is, I am in a lot of groups that contain predominantly voices from the global south. There has been a lot of horror at the immediate impact of USAID cuts, but almost everyone agrees that, in some ways, there is a small green shoot: the sticking plaster has come off. There is lots of discussion among those global south networks and individuals about how they change up.

This could be seen as a bit optimistic, or even naive in moments, but I have worked with those southern voices and organisations, and they are saying that, to really think about debt justice, we need to think about how we support domestic tax resource mobilisation and all those other good ideas. We do not want to lose the extraordinary expertise and work that DFID has achieved, but it is time for change, and really I think quite a comprehensive one, with justice at the heart of it.

Q89 **David Mundell:** Who do you think will drive that change? My view is that what is happening in the UK is just reactive. It is not that we have decided that there is a better way to do this, which helpfully costs less; we have just decided that we want to spend less money. Looking internationally, the US have a very clear agenda to focus on themselves. Who is actually going to drive this? I actually share your optimism, but that is the part I feel is missing.

Professor Mawdsley: I believe that the Minister of State and the FCDO have a responsibility to try to create a safer world for the UK. I agree that a safer world for the UK is a better world for most people, and that is why, even in this moment of extreme difficulty—economically and politically, which we all know about—it is their role to lead a strategy that serves the citizens of this country better. I think some of that comes through working better with different southern partners, the NGO community and others. I think it is time to really think differently.

I am really hopeful that some of these people—such as Beth Heron, who is sitting behind me and about to do a PhD—are going to be looking into whether we can try out different sorts of narratives, and whether we can persuade the Labour/Reform-type voter in Leicestershire of a particular version of what shared interests might look like. We are maybe going to try out some ideas and see whether there are different ways of doing it.

Chair: We would be grateful if you kept us up to date on those. Freddie, is it a very small and specific point?

Freddie Carver: I just wanted to endorse that. I think the question for the FCDO is whether it can shift its mentality to be an enabler of those coalitions. They are used to going into rooms and being in charge, because they are the penholder or they have the most money. I think the mindset shift that needs to take place there is about how they become a coalition builder and create those spaces, because it has to come from a lot of different partners at once, and I think everyone here—the Committee and the panel—has a role in that.

Chair: I do not disagree with what you are saying, but I worry that the restructure is happening before the vision is laid out. I think we are going to be in a very difficult place, and I think it is going to be down to luck if we have the right skills, which is not where I want to be.

Q90 **James Naish:** Anna, I will come to you first. Time is ticking, so swift answers, if possible. We talked about the shift in approach. What opportunities do you think are presented by the four essential shifts?

Anna Schuesterl: One opportunity is obviously the systemic approach. That is, in principle, right, because if you have functioning systems, you are not reliant on aid, but there are a few risks there. First, when we speak about the donor-to-investor shift, how do we define investment? Is it supporting economic systems to perform better? Is it implementing systems in contexts that are a bit more fragile? Especially in fragile contexts, that approach cannot be applied, because they do not have the environment where this works and where you would get a return, so the systems have to be built. The long-term thinking is correct, but the short-term thinking is around how you need staff to staff that process, and you have to communicate that process. That is where the risk is, because there could be a lot of local and central staff costs. Expertise means people, so without people, you do not have that, and you need them long term. That is one point I would like to make.

The other opportunity—we have talked about this—is multilaterals. At ODI, we have done a lot of research into how much capital you could free from multilateral reform. This is where the UK can definitely push because, ultimately, if you want systemic change and you want to do it at scale, that is how it can happen. There is a lot of expertise within the country but, obviously, it has to be pooled and brought together, and things like that, so that needs co-ordination as well. The aid for trade programme is also powerful, but again, mostly in middle-income countries, so it does not apply to others. What is really important is thinking about what the country wants to achieve and what to focus on, because if the staff numbers stay as they are, there needs to be more depth and less engagement.

Q91 **James Naish:** More broadly to the panel, what are the opportunities and risks of the four essential shifts?

Gideon Rabinowitz: We see the shift from international interventions to local as an enormous opportunity. There have been constraints and challenges in moving resources from donor countries and from the centre into countries. I will give you an example. In the humanitarian space, there is a global commitment to ensure that 25% of humanitarian assistance is delivered by local organisations. Globally, we are still at low single digits, and this is 10 years after the commitment was made. This particular shift is ever more important now, because there is less UK aid overall. We need to see a disproportionate move of that resource into country, and that is why the reorganisation of FCDO is not a bad thing, per se—it just needs to be guided by the right strategy. If you have less resource, you need to think much more carefully about what resource you have in the centre versus in-country. There are opportunities there.

We agree, I think, on the donor-to-investor shift. Applying this too bluntly in contexts where countries really are not ready to have a significant shift from donor resource to private sector resource introduces risk. In contexts where aid, for good or for bad, is playing a significant role in service delivery, moving to a model where you take that resource out and only focus on capacity building in the wrong ways too quickly is also a risk. That needs to be dealt with very carefully, which is why this strategy—both at a corporate level and at sector levels—is really important. If you get that wrong, you can cause tremendous harm. We need to have generally a "do no harm" approach to the way these shifts are taken forward, so that we avoid those risks.

Q92 **Chair:** Are you seeing that thought process playing out now?

Gideon Rabinowitz: We have been in discussions where officials have talked about technical work that is ongoing. For example, we have members who are working very closely with the gender team and with health systems strengthening teams, and so on. I am hoping that their submissions to your inquiry will help to bring out some of that, but our fear is that not enough of that thinking is being done.

One of our really big concerns is that, if you go back 10 or 15 years, DFID had very detailed, multidimensional strategies that guided its in-country work. We have repeatedly asked questions about what will guide how a reduced level of resource is going to be used in-country. Are strategies being developed? Is inclusive growth diagnostic work being done, which is what DFID used to do? There has been no answer back, and we are really concerned that the analytical work, which used to underpin a much more strategic focus on where resource went, is not currently being carried out in the Department. If you have fewer staff centrally to support that work, I think that further increases the risk that work is not going to get done.

Q93 **James Naish:** Freddie, will the shifts save the FCDO money in the long term? Do you believe that the four essential shifts will actually lead to financial savings, which was obviously described earlier as one of the core motivations? Do you think the Department has the skills in-house to deliver those shifts today?

Freddie Carver: This picks up on what I wanted to say about the shift to localisation. I think there are opportunities, and I think there are plenty of people in the Foreign Office who strongly believe that this is the direction of travel. I think the key questions are the ones you are asking.

To really achieve that in the humanitarian sector, you need to have really strong engagement with the multilateral system. Frankly, the UN system is a barrier to really strong local leadership of humanitarian action. To tackle that, you need engagement in New York and Geneva, and on the ground. You need to build the relationships with the partners and understand the political complexity of these environments. You need to be able to identify actors like the emergency response rooms in Sudan and the complexity of the environment that they are operating in, and how to appropriately be a partner to do that.

There are undoubtedly opportunities for saving money, and that is clear—the systems we have at the moment are not efficient—but if you do not have the capacity to do it well, to hold the various parts of the system to account and to join up those conversations, you are going to struggle to achieve those goals. Sadly, what you are going to end up with is what has been described as a smaller, meaner humanitarian system, rather than something more effective.

Q94 **James Naish:** Would you advocate a greater reduction in actual ODA spend if, in return, you managed to hold up the capacity of the FCDO? In the long run, do you think that is the better outcome?

Freddie Carver: The focus should obviously be on outcomes, and both spend and staffing are a means to an end. You want to get the right balance; I guess one version of that is to get rid of all the staff and keep the money, but you would not want to do that. There is a balancing point, and I fear that we are not in the right place.

Q95 **James Naish:** Emma, will the shifts achieve that saving for the FCDO, and is there the capacity in-house to deliver them?

Professor Mawdsley: I think it would be a false economy; the loss of soft power and efficacy in the world is not worth it. I think we need to look forward. I cannot speak for the FCDO civil servants, but anecdotally, as well as the palpable despondency, I have been tracking that people are not only trying to keep issues alive but thinking about rebuilding. Many of these development experts have lived through 40, 30, 20 or 10 years of change, and it has not all been in the lovely uplands of poverty reduction. They have been through those moments, such as the big gender breakthrough in Beijing—there has been a lot of change.

I think there are also many people there who are not stuck in their ways and looking back. They are surrounded by the world, and the US is a good example, or what is happening in the Netherlands, New Zealand, China, India and Brazil. Within the Department, that development expertise is what we need to be sustaining to build forward, and we need to be trying to retain it. It is expertise that is dynamic and can be a critical source for thinking about what the strategy might be going forward. It is not the past—that is for sure.

Q96 **David Mundell:** Gideon, how should the Government be balancing the bilateral funding allocated through centrally managed programmes, versus funds being spent by in-country teams?

Gideon Rabinowitz: This is a very complex question. It will depend, sector by sector and theme by theme, what the best balance of resource is. We certainly understand the imperative to make sure that we have the right resource at country level, especially in a much more constrained resource environment overall. Our understanding—I think the Government have been explicit about this—is that there will be fewer countries with which there is a major aid partnership. They are narrowing the number of countries where there will be a major aid programme remaining. We have heard that some of the smaller, less geopolitically significant countries—let me put it that way—are very likely to fall off the Government's aid partnership list. We could see as many as four or five countries with which the UK has had a decades-long partnership end their major aid relationship with the UK. That is what is at stake. There are very serious trade-offs here, which comes back to the strategy point. When dealing with enormous trade-offs and major risks, you need to have a strategy to guide that.

One additional point that I would make is that there are probably some areas where it is useful to have central resource. Those need to be thought through very carefully. We have obviously seen significant value in the central resource that DFID and FCDO have had around civil society. We have been working with the civil society team to hear about the work that they are doing to support country offices to work on issues around human rights defenders and shrinking civil society space in-country. These are enormous challenges across the world, and they are growing. Central capacity and resource are playing a really important role in helping to respond to those challenges, and adding to the capacity that country offices have to deal with those challenges.

We know that the officials have been working on these plans for some time. It has moved forward very slowly, and all the cuts and the changes in strategy have slowed that process. We have not seen dedicated civil society programming disburse resource since 2022 or 2023, and we are really eager to see the new generation of programming come through. We are told by the officials that they are piloting new approaches, but I think we will not see the new programmes come online until resource allocation and strategy decisions have been made. The quicker those decisions are taken—

Q97 **Chair:** When do you think that is going to be?

Gideon Rabinowitz: I think that what Ministers have told your Committee is that resource allocation decisions will be taken by the end of the year or early next year. We would hope that by the beginning of the next financial year they would be in a position to have certainty about the pots of money that they have available for things like dedicated civil society programming, and then be able to move it forward.

Q98 **Chair:** Do you think there will be any centrally managed funds?

Gideon Rabinowitz: It sounds like there will be some. For example, they want to retain some level of resourcing on working with civil society at the centre. It is anyone's guess how much that will be. From what Ministers have said, across bilateral, multilateral and centrally managed programmes, the centrally managed programmes will face the biggest cuts. That seems to be the direction of travel, so it will be severely diminished. We can only guess at what level it will remain.

Q99 **David Mundell:** Do you think there will be any strategic alignment?

Gideon Rabinowitz: We hope there will be, but I have limited confidence that it will happen based on what we are hearing publicly about where strategy review processes are up to and how well they are being aligned across the Department in various different ways.

Chair: I think it is a dark day that we are reliant on hope for something that has so much impact internationally, and so much impact on our international standing.

Thank you all very much for your evidence. We will be keeping a very close eye on this. This is the first of the sessions we will be having to advise on what the Government’s vision could and should be, and on the consequences of the decisions they will make in the next couple of weeks or months. Thank you all very much.