

International Development Committee

Oral evidence: ICAI: Performance in 2019-20 and Future Role, HC 752

Tuesday 8 September 2020

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Members present: Sarah Champion (Chair); Mr Richard Bacon; Theo Clarke; Brendan Clarke-Smith; Mrs Pauline Latham; Navendu Mishra; Mr Virendra Sharma.

Questions 1-29

Witnesses

I: Dr Tamsyn Barton, Chief Commissioner, ICAI; Ekpe Attah, Head of Secretariat, ICAI.



Examination of Witnesses

Witnesses: Dr Tamsyn Barton and Ekpe Attah.

Chair: Thank you very much for joining the International Development Committee. This is a one-off session with ICAI, the Independent Commission for Aid Impact. We are looking for this session to fulfil two roles. One is to look back at ICAI's performance over 2019-20, as set out in its published annual report and accounts for the year, and the other is to consider the key questions that the FCDO-proposed review of ICAI should be addressing going forwards.

Welcome to our two witnesses, Dr Barton, the chief commissioner of ICAI, and Mr Attah, the head of secretariat for ICAI. Thank you both very much for joining us. We would like to go straight into questions, unless you have opening statements that you would like to make. No? In that case, can I ask for the first questions to come from Theo Clarke, who chairs the Sub-Committee that oversees the work of ICAI?

Q1 **Theo Clarke:** Dr Barton, please could you outline to the Committee the key findings from this year's annual report?

Dr Barton: In our annual report for 2019-20, you will find an overview of our work, with the usual corporate and financial information that you would expect from any annual report. If you would like more detail on some of that, I will hand over to my colleague, Ekpe.

The area I would like to focus on is how it describes the improvements we have made over the past year to strengthen our scrutiny processes. We have introduced new reviews, such as the country portfolio review. We have of course discussed our review of Ghana with you. We have introduced ways of integrating the voices of those expected to benefit from UK aid into our reviews. Again, you saw that with Ghana, and you will see it with other reviews to be discussed in the future. We have published our literature reviews for the first time in this phase, which allows everybody to see the evidence base on which we have made our recommendations and the extent to which we can use the literature on what works to inform our recommendations.

Those are the improvements we have made. We can also feel quite pleased with what we have been able to deliver in terms of reviews, reports and contributions to evidence, considering that it was a year with quite a bit of disruption. My fellow commissioners, Hugh Bayley and Tarek Rouchdy, joined in July, whereas I had been there from January owing to the early departure of my predecessor. We were able to reach our cruising altitude of review production quite quickly. However, that was, unfortunately, disrupted by disruptions in Parliament, which delayed a number of hearings and created a backlog, and then of course further disruptions as a result of covid-19 towards the end of our time.

Despite this, in comparison to the start of the second commission, we had a pretty seamless transition. At the start of the second commission,



HOUSE OF COMMONS

there was a full 10-month delay, with a big gap in scrutiny as a result, whereas this time the Committee was able, as soon as you were established, to make use of our reports and start using them to hold the Government accountable for the aid programme.

In closing, I would like to mention some highlights and cross-cutting themes that we mention in the report. We talk a lot about the complexities of working across Government, because that has been an increasing theme since 2015. We actually kicked off our reviews by looking at all 18 Departments and funds, to establish connections with them and start looking at how well they were working together. That was our review on how UK aid learns. We also looked at this issue across our review. As I already mentioned, we brought in ways of including citizen voice from reviews. We also looked at the importance of sustaining development results and whether UK aid is set up to deliver transformative results.

That would be it for the key themes, but if you would like to ask any more about the financial or corporate details, I would hand over to Ekpe.

Chair: Dr Barton, can I assure you that we can hear you clearly? I know that the echo that you are getting back is very distracting. If you could carry on, we would be most grateful, but apologies that the technology is letting us down a bit.

Q2 Theo Clarke: Thank you very much, Dr Barton. I know you were appointed as the first full-time ICAI chief commissioner back in January 2019, and were joined by two new part-time commissioners in July. I am interested to know about the new leadership team at ICAI and what your accomplishments have been, but also, given the new FCDO-led review, how you think ICAI's new structure should be reviewed and what your thoughts are on that.

Dr Barton: You are correct that I am the first chief commissioner to be appointed as a full-time appointment, but following the tailored review of 2017, my predecessor Alison Evans was made full time for the last year. It was a huge advantage to me to have more time. I started off in the first six months trying to see if I could fit it into four days a week, and I expanded to full time when I discovered that that was not realistic in terms of delivering the responsibilities at the level I wanted.

The advantage of my arriving early was that I was able to be involved in the appointment of my fellow commissioners. That really helped to build the team in the right way from the beginning. I also had time to organise a more thorough induction than had been possible with previous commissioners. I took the advice of former commissioners about what would work. We had all three commissioners involved in an induction capacity, and learning how a review works by joining part of the fieldwork in east Africa on the preventing sexual violence initiative. Apart from that, we organised a thorough induction. That has worked well, and we feel we are now working well as a team, although for various reasons it



HOUSE OF COMMONS

has taken more time for Tarek Rouchdy to get going on his reviews, which are now underway.

That probably tells you something about the new team. We were able to work together, once Hugh and Tarek arrived, in revising our framework for the selection of reviews and the methodology. We built on the good work of the previous commission, but added a bit more rigour and refinement, ensuring that we explore the full universe of areas that could be reviewed. I was also able to organise external consultation to inform our plans and communicate back to people on that.

That probably gives you enough on the new team. In relation to the review, could you remind me of exactly what you would like to hear?

Q3 Theo Clarke: I am interested in two things. The first is the structure of ICAI and what aspects you think should be reviewed under the new FCDO. I am also very aware that you are currently independent from both Government and Parliament, so it would be interesting to hear why that matters and how that works at the moment. You can then tie that into what you think ICAI's new structure should be.

Dr Barton: In terms of the structure, because everybody in the Committee or those watching may not be familiar with it, we describe ourselves as a bit like a three-legged stool. You can see the triangle in our annual report. You have the commissioners, who are public appointees—me, Hugh and Tarek—at the top of that pyramid. We have a secretariat working for us as a second leg—so those are 10 civil servants. We have review managers who help liaise with Government and supporters in the process of making the reviews happen, as well as contributing their expertise and analysis. We have a very small engagement team, which also liaises with Parliament, as well as helping us with our communications to the public, and a small delivery team that supports us in practical areas, such as contract management and security clearances.

The third leg is that we have an outsourced service provider to help us with our research. The current service provider consortium is headed by Agulhas Applied Knowledge, which has experience from the two previous phases. It is supported by Ecorys, the Overseas Development Institute and Intrac. That gives you a sense of the structure. If you like, I can talk more about the in-house versus outsourced debate, which came up in earlier reviews.

Chair: Dr Barton, we have a number of Committee members with a number of questions, so if we can move on, that would be most helpful.

Dr Barton: Shall I briefly say something about the independence, or should that be left until later?

Chair: It would be great if you could speak about it now.



HOUSE OF COMMONS

Dr Barton: It is worth saying now even if I come back to it later, because clearly “independent” is in our name and was seen as fundamental to our establishment. Previously, arrangements for evaluation of the aid programme were within the Department for International Development. Even when it was an advisory committee, there was still a way in which the senior management had some say over what the evaluation body could do. There was a reporting line into senior management, albeit at a high level, so full independence was not there.

When Andrew Mitchell set up ICAI, his vision was that it would be fully independent, not overseen by Ministers, but reporting to the International Development Select Committee, which would ensure and guarantee that independence, so that taxpayers would know that our reports were in no way influenced by Government Departments possibly wanting to look in the best light. It was meant from the beginning to be evidence-based rather than influenced by any political considerations, so having a cross-party Select Committee as the reporting line was the way of guaranteeing that. That has given us considerable operational independence in choosing what we review, how we review it and how we publish and disseminate our findings.

Q4 **Mr Sharma:** Dr Barton, what challenges, internal or external, has ICAI faced over the past nine months in holding the Government to account for their aid spending?

Dr Barton: We have faced an exceptional collection of challenges in the last year. To give you one review by way of illustration, our review of the African Development Bank, which was published at the end of July, was delayed by two months at the beginning because our key link person in the Department was redeployed to another Department in relation to preparations for Brexit. At the end it was delayed for two months because there was a redeployment in relation to covid-19, whereas the normal expectation is that a review would take nine to 10 months, so that is quite a considerable delay.

The greatest challenges have been with disruptions to the parliamentary calendar, because we had a number of reviews and hearings left over from the previous commission. You will know that, in the end, we had to conduct some of them in a written format. It is possibly less effective or more difficult to make accountability work like that. That has been an issue. The current issue we have is with having a long-term work plan that we can agree with the future parliamentary body that we expect to report to. At the moment, we are still uncertain as to what those arrangements will be. We are still disrupted by covid-19, which has affected the availability of Government officials to help us with our reviews. It has obviously affected our travel plans, although we are hoping that we can build on our efforts to do virtual field visits, and before too long organise in-person visits.

Q5 **Mr Sharma:** You touched on my next question, but it has a possibility of expansion. What impact has covid-19 had on ICAI’s supplier, Agulhas,



and your ability to keep to your work programme?

Dr Barton: Perhaps I will start and then I will hand over to Ekpe to talk about the secretariat. First, to look at the implications for the supplier, which I think you mentioned, there were some impacts on the supplier because of the delays I mentioned. That inevitably slows down the cash flow, which was obviously a key issue for the Government in general. We did not want to be directly responsible for any problems with our supplier in that respect. We have tried to make sure that we use the time available to plan for future reviews and put some preparation in place, even if we cannot agree a work plan right now.

We also undertook some short-term, or even realtime, reviews, including at the request of the Committee and the chair of our Sub-Committee, such as the Gavi information note, which we were able to do while we were waiting for delayed reviews. That gives you a sense on the supplier side, although Ekpe may be able to add more about the mitigating measures that we put in place there. I will hand over to Ekpe to talk about how the secretariat has worked through this covid time.

Ekpe Attah: I can particularly pick up on the secretariat side and how it has affected our corporate ways of working. First, we have had to take advantage of and use far more remote working across the team, as everyone has and as we are doing today. That has generally worked well. It has probably been the first time we have tested it over a long period. On the softer skills side, we have had to do more as a team to keep in touch with colleagues who are working remotely, just to make sure—there is a wellbeing issue there, but also in terms of keeping progress on our work.

We have looked at more way of flexible working, particularly where people have childcare responsibilities, to ensure that we can work at the same time as taking care of our other responsibilities. We are now beginning—Tamsyn and I are in the office today—to look at returning to work in a safe way. The maximum capacity of our office is significantly down on what it was before, but we are looking to get back into the office as much as we reasonably and safely can.

Q6 **Mr Sharma:** Mr Attah, how disruptive is covid-19 to the secretariat's work, and what measures have you put in place to mediate these challenges? You touched on it, but could you expand on that?

Ekpe Attah: I probably do not have a lot more to say in addition to the measures we have taken. All I would add is that it is an ongoing challenge. Every week, we have to reassess and make sure we are doing the things I have talked about. For example, in terms of the keep-in-touch meetings, it is all very well to put them in the diary, but there is an extra step there to ensure that it happens and that you do stay in touch with your team. There is something about practising what we preach as a team.



Q7 Mrs Latham: Dr Barton, can you tell us what challenges and, if you can see any, what really good opportunities the merger of DFID and FCO creates for your working and for you, as an organisation, moving forward?

Dr Barton: It is very early days to consider how much the merger is affecting us, because it has only been a couple of days and superficially we would not notice a great deal of difference. We are still dealing with the same team directly in our day-to-day work, although we have not yet met some of the key people we will be interacting with in the new FCDO. We still have to develop those working relationships, but we understand that we will be relating primarily to the director-general responsible for, among other things, research and evidence. It is DG delivery, so that seems a good docking point for ICAI's reports. It may even bring new opportunities compared to the previous arrangements with DFID, where we were linking into DG corporate, so the research and evidence link is clearly a good one. The Better Delivery Team, which was established as a result of an ICAI report, is within that DG.

One of the areas we have touched on before is the question of transparency and culture. DFID as a Department, having been focused exclusively on aid policy and delivery of aid, has over the years enormously increased the amount of information that it makes available. Indeed, it has been scored very highly on transparency by independent assessors such as the International Aid Transparency Initiative. In the past the Foreign Office has made some progress, but it has not yet reached that level of transparency. It is fair to say that, on that side of the house, they have not been as used to the constant scrutiny that there is of the aid programme, not least by us, as well as the NAO and you.

There is a bit of a learning curve to be gone through in terms of working with scrutiny and making information available, but we are hopeful that that will be manageable. As I have said before, the Department really wants to reach the highest standards, which are a combination of the best in the two prior Departments that were merged into the FCDO. That would be very positive.

Q8 Mrs Latham: Before, you mainly focused specifically on DFID-led projects. Do you think you will move away from those—because obviously there will not be DFID—to the projects that the FCO has led before and will continue to lead, in terms of ODA spending in the future?

Dr Barton: Our methodology for selecting reviews, which has to be agreed with the parliamentary body to which we report, would still work, regardless of the Departments having been merged. We choose on the basis of issues such as materiality. How much money are we talking about? How much risk is there in a particular project? How strategic is it? That would work either way.

Since the Department will be merged in a way that combines teams in particular geographies that were previously DFID and FCO, I am not sure



that it would change the topics that much, unless there is a big change in what projects and programmes are supported. I am assuming that that is one thing we do not necessarily need to adapt. We always started from whatever the agreed strategy and objectives of projects were, rather than having our own ideas about what a Department should be doing with its aid programme. We will adjust to the new aid strategy or whatever comes out of the integrated review, and we will always look at the objectives that programmes set themselves.

If I may touch on one other area relating to the merger, the thing that is perhaps concerning us most is what the parliamentary arrangements will be. At this stage, that is more of a question mark. It creates the potential for a lot of delay in our programme because we are unable to agree a work plan.

Q9 Mrs Latham: You have talked about the FCO's poor transparency record. How do you feel you can encourage them to become more transparent? As you just referred to, you do not yet know who you will be reporting to. Has the FCDO had no conversations with you about where you will be reporting in the future?

Dr Barton: We do know who we will be reporting into as our docking point, because we still have the current day-to-day people and we have the director-general delivery, whose name is Vijay Rangarajan.¹ We have not actually met him yet, but it is only five days, after all, and we are in the process of arranging that. That is not going to be too big a concern or challenge. As I said, it is a good option and potentially even an improvement on the previous arrangements.

Q10 Mrs Latham: DFID obviously no longer exists on its own, so do you think a new framework agreement is required? Have you had any discussions about this with the FCDO?

Dr Barton: We have not had any discussions yet. We just signed the framework agreement in September 2019, and that took a while to agree. The only changes from the previous framework agreement were to do with ensuring that all Government Departments were covered, whereas in the original form it was very focused on DFID. To an extent, the only changes would be changes of the name of the part of the Department we would report into and the title of the Secretary of State. You could use most of the current framework agreement, so it is really up to the Department to decide whether there are other amendments needed beyond name changes, *mutatis mutandis*.

Q11 Mrs Latham: I understood that it was written into your constitutional framework agreement, or whatever, that you reported into our Committee. With our Committee not existing in the future, who do you think you will be reporting into? You say you know who you are reporting

¹ "Witness correction: 'whose name is **Vijay Rangarajan**' corrected to 'whose name is **Kumar Iyer**'."



into. Have you been told which Committee you will be reporting into, or have I misunderstood that?

Dr Barton: No, apologies, I meant that we know who we are linking to, in terms of where we get our budget and resources from within the Department. In relation to Parliament, we are entirely uncertain. We understand that we can continue reporting into you for some time yet, but we are not sure how long that is going to last.

Q12 **Mrs Latham:** Our understanding is that there will be no changes until Christmas, and then we do not know any more than you do. We will have to wait and see, but we are hoping that we will have a successor Committee that would look at all the ODA spend over all the Departments that it will be going through, because it will not just be going through the FCDO. Will you have any oversight of those other Departments, whether it is Education, Defence or Health?

Dr Barton: Indeed, the key aspect of the changes made to the framework agreement in 2019 was for it to be clear that all accounting officers responsible for aid, whatever their Department, would have to face the scrutiny of ICAI. The then Department that we related to, DFID, would enable the process of them all signing the agreement. That was the thinking. In terms of reporting to the parliamentary Committee, it mentions areas such as agreeing the work plan, the involvement of the Committee in appointing commissioners and a number of specifics. But as I mentioned, our assumption is that the changes are *mutatis mutandis*, so whichever Committee it is that scrutinises aid, even if the title may be slightly different, would be inserted in that paragraph of the framework agreement. Nobody has raised any changes of substance with us as to how things would work in future.

Q13 **Navendu Mishra:** Dr Barton, in the foreword to your annual report you cite the example of the newly created French version of ICAI, the Independent Commission for Evaluation. What other impacts has ICAI had on the UK's influence abroad?

Dr Barton: I mentioned the legislation being brought forward to create the French ICAI. I assume that its establishment has probably been delayed by covid-19 because they had talked about involving us in an advisory capacity. Naturally, we are extremely pleased to see that they had come to us. There have been discussions over a couple of years as they decided how to set themselves up. Parliamentarians came over more than once to the UK and met us, and officials talked to us a lot before they did it. Without mentioning them, other models of aid scrutiny are available in other European countries, so they did not have to choose the UK.

I cannot say that there are organisations modelled on ICAI set up in other countries, other than that example, although occasionally we get inquiries from the US and elsewhere. People see the value of it, but it



HOUSE OF COMMONS

takes a very brave Minister to decide that they want a fully independent watchdog. Was that the kind of influence you were referring to?

Q14 **Navendu Mishra:** Yes. You mentioned that there are other European countries that have similar mechanisms and are using the ICAI model. From your response, what aspects of ICAI's functional model inspired the French commission? It says a lot about ICAI's reputation in the international aid sector. What I am trying to talk about is specifically your functional model.

Dr Barton: They were particularly interested in the relationship with Parliament and how that could influence the best possible traction to ensure proper scrutiny and improvement of aid. Judging by what I know of our equivalents, the relationship is particularly close. There is a lot of collaboration. ICAI feeds into your inquiries, we conduct our own reviews and you hold hearings. That was quite fundamental to the thinking. They were interested in how commissioners were appointed, because they are thinking about similar public appointments. They were interested in the evidence-based nature of our work, because British research and evidence have a good reputation, and how we use that in our work.

Q15 **Navendu Mishra:** We have an excellent staff team at this Committee, and they have seen at least one joint briefing with the ICAI secretariat, which mentions visiting Chinese officials interested in the ICAI model of scrutiny. Do you know if there is a Chinese ICAI perhaps on the horizon or is there a network or federation of national aid scrutiny bodies?

Dr Barton: I do not think there is a network of aid scrutiny bodies. We are part of the OECD DAC evaluation network, which includes scrutiny bodies as well as evaluators. We occasionally have visiting delegations from various countries, which come and hear about our work. A while ago, I was also invited to a conference—and I hasten to say that my expenses were paid and it contributed to the work of the mutual prosperity review—in Seoul, where they were very interested in the model for their own scrutiny of aid. I am not aware that they have yet adopted it.

Q16 **Navendu Mishra:** Are you aware of the possibility of a Chinese version of ICAI?

Dr Barton: I must admit that that does not ring a bell. I do not recall that.

Q17 **Brendan Clarke-Smith:** Dr Barton, in addition to changing the board structure, what were the other key findings of the last tailored review of ICAI and what progress have you made in implementing those recommendations?

Dr Barton: In terms of key changes, I have already mentioned that key for us was the full-time commissioner. It also reduced the number of commissioners in total in order to ensure control of the costs of



HOUSE OF COMMONS

commissioners, so there are now only three commissioners in total, compared to four previously.

Apart from that, there were a number of helpful recommendations. I can remember that they were particularly interested in our theory of change and our key performance indicators, which we recently revised. That was something left to us after the previous commissioners considered it and thought that these changes were best brought in in phase 3. The improvement is that our new theory of change and key performance indicators focus very clearly on practical change.

For example, whereas we used to have a key performance indicator related to how many recommendations the Government had accepted, we now have, in addition to that, and to nuance it, a KPI on how many recommendations have had adequate action taken in relation to implementing them. We think that that is a much better indicator of our traction and impact. If you take the last follow-up review, for example, we found that something like 80% of our recommendations have been actioned.

That related to the recommendation that we should find more meaningful key performance indicators from the last tailored review. That was very helpful. It also reinforced the earlier review in focusing the work of the commission on not necessarily a huge number of reviews but a high quality of reviews. They needed to be well-evidenced, strategically chosen reviews. There was a feeling that, perhaps, as ICAI was first set up, it was a bit broader and, therefore, it was harder to achieve the same strategic level of impact. That, again, informed the way that we thought about our key performance indicators.

I hope that that gives you a flavour. There are 11 recommendations, and I could go through them all, but I will spare you that.

Q18 **Brendan Clarke-Smith:** Thank you for that. That was a good summary. Has ICAI acted more collaboratively, especially with the non-DFID Departments, in making smarter recommendations and sharing the priorities of its forward programme, as the review suggested?

Dr Barton: Thank you for mentioning both of those things. In terms of the collaborative work, in general, during the first years of the commission, because it was new and there was a worry about whether independence could be diluted in any way, it was felt that no information should come to Departments about recommendations and nothing should be revealed until everything was ready. That sometimes resulted in surprises, and it was harder to get recommendations that were practical to implement.

Since the review, there has been a new stage to the process, which was already there by the time I arrived. I have found it very helpful because, since I arrived, I have focused strongly on the recommendations and making sure they are really practical. There is almost a workshop session



where we say, "These are the areas in which we are thinking of making recommendations. Can we talk them through with you?" That has resulted in us focusing more on the recommendations that will really make a difference.

In terms of working across Whitehall, which was, indeed, one of the themes, as I mentioned at the beginning, we took this very seriously in our annual report as the No. 1 challenge, given that there are 18 Departments and funds spending aid. Very few of them had the same level of familiarity with ICAI. They all know what the NAO is but not necessarily what ICAI is.

That is why we were doing double duty in doing that review. We were introducing ourselves to Departments and making the contacts, but not starting with a full-on, tough review, because, often, Departments newer to spending aid are at an earlier stage, so that might not have been appropriate. We have taken a gradual approach. We do not think it is effective to behave like a "gotcha" organisation; we think that, if you want to improve aid, it is better to take it incrementally.

We think that that is the case; however, we will find out more because we have a regular feedback session with all stakeholders who have been reviewed by us. We are just embarking on that and we will hear directly from people involved in the reviews whether they feel that the approach was fair.

Q19 **Brendan Clarke-Smith:** After you answer this, Dr Barton, I wonder if Mr Attah can give his response as well. To what extent does ICAI's work programme reflect suggestions from the public and the aid sector, would you say?

Dr Barton: One of the things that I was able to get going before my colleagues arrived was an external consultation. This was the first time ICAI had done this. Previously, there were 11 written submissions when, in phase 2, there was a consultation, whereas we were able to have four different roundtable events as well as an online consultation fully open to any member of the public who wanted to contribute. We could not spend very much on marketing, but we did get something like 110 responses, which included, as far as we could tell, ordinary members of the public, with the majority being from the aid community. That was very helpful to us.

To give you a couple of examples, they put top priority on multilateral aid. That is something that we have really focused on, not just in our pure multilateral reviews, such as the African Development Bank, but also if we are doing a country portfolio review like Ghana. Otherwise, you are missing a huge chunk of the aid programme and the lines of accountability.

To give a specific sense of the kind of thing that came up, in one of our roundtables the suggestion was made that we could score our follow-up



reviews, which we thought was a really interesting suggestion. We have experimented with that this year. For each follow-up, we give the response a score: a tick where it is adequate or a cross where it is inadequate. That is a very tough discipline, just like our scoring for the reviews. We have to really work through the evidence in a very systemic way to decide whether we have an adequate or inadequate response, and that puts more pressure on the Department if we have not had an adequate response and, hopefully, gives some credit to those that have responded well.

Ekpe Attah: I would add something on our growing social media presence more broadly, in that external engagement piece. Social media is still a significant challenge for ICAI. We now have over 6,000 followers on Twitter, which is around a 10% increase over the last year, so it is growing. We are also trying to get a bigger professional audience on LinkedIn and we are now making more use of that. We have also instigated a bi-monthly newsletter to stakeholders, just to keep people apprised and up to date with what we are doing as close as we can to realtime.

Q20 **Brendan Clarke-Smith:** What steps are you taking to continue increasing public knowledge of and engagement with ICAI's work on top of that? Is there anything more specific or is social media the main focus?

Ekpe Attah: Social media is the main focus. We have also—this ties in with the social media piece—recently made the first use of videos during phase 3 around the release of our reports, to try to engage a bit more with people so they can get a real sense of who the commissioners are. The commissioners are fronting those. Our head of engagement is looking at improving our website and its accessibility. We are trying to grow our presence in a multimedia way.

Brendan Clarke-Smith: Thanks. That is helpful.

Q21 **Chair:** Mr Attah, I wonder if I could build on that a little. As well as you publishing your reports, you get the parliamentary scrutiny and the parliamentary profile because it goes through a Select Committee or a Sub-Committee. Do you notice that that relationship increases awareness of your work?

Ekpe Attah: Yes, it does. That is certainly my perception. When one of our commissioners and the team are up in front of your Committee and the Sub-Committee, we follow the tweets in realtime and it comes to people's attention.

Chair: Good, let us hope that that relationship continues.

Q22 **Mr Bacon:** Dr Barton, you mentioned earlier the issue of having 18 different funds and Departments spending official development assistance. They have very different cultures, approaches and methods of working, depending upon what their core business is, and different levels of expertise in how to go about spending ODA money effectively—



HOUSE OF COMMONS

possibly no knowledge at all and, in some cases, probably quite a lot. How have you approached scrutinising that? What challenges has that represented, and how have you dealt with them?

Dr Barton: I can certainly say that the unfortunate review manager in the secretariat who had to manage the process with 18 Departments and funds has probably still not forgiven me for having such an ambitious way of starting off phase 3, but she was pleased with the result in the end. It was a big challenge simply to have the usual engagement with Departments when there are so many. It is very straightforward with one; we are now finding that, probably, the majority of our reviews will involve more than one. For 18, we had to organise two separate workshop sessions and allow a lot more time for discussion, based on those different levels of understanding and familiarity with ICAI. I am sure that we can improve the process further next time we need to do something that runs right across Government.

One of the very interesting challenges for Government was who is responsible for responding to our recommendations, because that was not clear. At that time, DFID was the relevant key responder of ICAI but was not responsible for the aid from all other Departments.

Q23 Mr Bacon: I sat on the Public Accounts Committee for 16 years, so I saw a lot of accounting officers and permanent secretaries across the piece. Our answer would naturally have been whichever accounting officer was responsible for that particular piece of expenditure. For example, if it were the Department for Business, or the Home Office because it was helping with the police in a third-world country or a developing country, it would be the accounting officer for the Department for Business or the Home Office. Is that how you would have seen it or is that not how it played out?

Dr Barton: That is absolutely how it works, which is why, in the end, although I am not quite sure how it works with the cross-Whitehall funds, there were something between 15 and 18 different accounting officers. Each of them is responsible for their bit. For the vast majority of Departments, official development assistance is a small part of their work and not necessarily central to what they do, so the accounting officer responsibility comes at a level very distant from the expenditure, for example, by the Home Office on in-country refugee costs or on modern slavery, which are small programmes.

That required representatives of all those accounting officers to agree on the appropriate collective response in terms of whether they would accept our recommendations. We had some challenging discussions about barriers to learning—because the focus was on learning across Government—created by different IT systems, or at least a lack of interoperability between IT systems. There is no shared platform on which you can learn by being able to see into each other's aid programmes. You can look across the projects in the cross-Whitehall funds or in DFID, but otherwise it is very different. You just have the



DevTracker, which gives you minimal transparency-based information. In any case, it involved them meeting and agreeing on what they could or could not accept in our recommendations. That process was not fully visible to us, but I will say that DFID was very helpful at that time in ensuring that there was a response, rather than everyone thinking it was somebody else's responsibility to deliver it.

One of the most valuable parts of that review was that it made it very transparent, including to the Treasury, which was involved, that more resource was needed to support Departments with less capacity. In subsequent interviews for other reviews, we have come across a number of examples where expertise came from one Department—usually from DFID—to support another Department. There were also occasions, as we saw, when it worked better to have Departments that are more similar, whereas DFID might have been very different. There was some quite positive learning going on, and now there was more resource for it as a result of our recommendation.

Q24 Mr Bacon: You remind me of the familiar term “absorption capacity”, which is usually used to refer to countries we are helping by spending development money in those countries. You make it sound as if there is a problem with absorption capacity across a variety of Whitehall Departments and funds.

Dr Barton: It has already been documented—including since this report looking back at the whole of phase 2—that there was allocation of aid funds before the capacity was fully there to manage that as effectively as possible. We have definitely seen improvements in that over time, and there are still some to take place. As I mentioned, it is understandable, when it is not necessarily central to Departments' focus, that they had not necessarily thought about what is going to be required in relation to ODA funds management.

To give you another example of how we are trying to ensure that they are fully aware, we are, at the moment, embarked on a review looking at fraud prevention. We are sure that there are excellent procedures in place for fraud prevention in general in Departments, but not all Departments will have really thought about the particular risks entailed with aid programmes, and it may be that there is more to be learned based on the experience of those Departments that spend a lot more time ensuring that fraud risks are mitigated. I hope that is a good example.

Q25 Mr Bacon: I have two more quick questions. First, you mentioned the National Audit Office earlier, which does value-for-money studies on the DFID spend. I very much welcome the fact that there is this extra scrutiny for what is a very big budget across many countries, and it seems to me unlikely the NAO, with the best will in the world, can do as good a job as it might like. How do you dovetail your work with theirs to make sure that it is fruitful rather than treading on each other's toes?



Dr Barton: There has been a good, collaborative relationship for some time. When ICAI was set up, the NAO provided a model in many respects. Since I arrived, I would say that we have definitely increased our interaction at commissioner level, in particular, and we now have quarterly meetings. I must say that I feel we have really benefited on both sides from the sharing of information. It is a great joy to be together with any other scrutiny body that meets the same challenges, and there is important information to share.

At the moment, we have a particularly good collaboration with the NAO in relation to our review of management of the 0.7% spending target, because the NAO had, of course, conducted earlier reviews. Before we embarked on it, we went to them to ask, "What do you think? We are thinking of doing this because a lot has happened since 2017, but, if you feel this is the sort of thing that only you should be doing, we will leave that to you." They said, "No, it would be great. We would really like you to do this," and they have been extremely helpful in furnishing us with data that is often not available in the same detail from the Departments, and lots of useful tips on how best to do things.

At the moment, I would say we can establish, in an ongoing way, useful, complementary and collaborative ways of working. We tell each other what we are going to be reviewing and we can adjust our programme, if needed. They recognise that they are unlikely to be able to do more than one review, or one and a bit, per year. They refer a lot to our reports when they produce theirs, because we provide the assurance and because they do not have enough resources to do it.

Q26 **Mr Bacon:** What additional powers or changes would you like to see coming out of the review of ICAI's remit?

Dr Barton: Sadly, it is not up to us to decide what additional powers we can have. We are given our remit along with our resources, and we recognise that those resources are precious. They come from the aid programme, and we need to deserve them. As things have worked since ICAI was set up, in both the previous tailored and triennial reviews, we have seen that there has been widespread acclaim for how well it has worked and how the independence in our name has been achieved in practice with the vast majority of people who comment on it.

Up to now, we have not felt that there is any strong need to change our remit or our basis, because things have worked well with the current set of relationships and arrangements, whether with the parliamentary Committee, which is a completely crucial basis for us to work on, or with the Departments, the NAO and so on. The merger brings some questions about exactly how the relationships will work in the future, particularly on the parliamentary side, so that might make the case for considering whether ICAI's independence should be strengthened with the same kind of statutory arrangements that the NAO has.



HOUSE OF COMMONS

It is not in our hands to deliver. That depends very much on Government, but it was traditionally always considered in these reviews that have happened every three or four years up to now. The first consideration was whether this public body needs to continue and whether it is justified. The second question was whether it should be under the current arrangements, within a Department, sponsored at arm's length by a Department, or even more distant than that. It was explicitly considered whether there should be statutory powers. I know that that is what the predecessor to your Committee, and some other stakeholders, preferred. The decision was that it was not needed, given that it was working well.

Q27 Chair: We have spoken a lot about the merger. I know that this Committee is very relieved that ICAI has had it confirmed that it will continue, albeit subject to a review. I know that ICAI routinely has reviews, normally by the Cabinet Office, so it is somewhat strange that FCDO is going to be conducting that review. I just hope that it is not trying to set its own homework in the process of doing that.

Part of the scrutiny is carried out by Parliament, and the very fruitful relationship that ICAI has had with this Committee has been useful. We have quite a symbiotic relationship. I wonder if you could draw out the key aspects of a successful relationship with Parliament for ICAI, and then expand to what you feel parliamentary scrutiny could look like in the future.

Dr Barton: The really key aspect is that you are a Select Committee that takes its members from across the political spectrum, which guarantees that there is a view of the people who are elected. That brings an appropriate accountability that you can never have from just a fully independent body without that democratic basis. The way you work is fully in line with how Select Committees work across Parliament in holding the Government to account. ICAI's role in that is to support you by providing evidence. Select Committees do not have huge resources, whereas this brings considerable extra resources to provide reassurance and evidence, to make sure that you know exactly what is going on in the aid programme.

Naturally, we cannot scrutinise every bit all the time, but we retain full independence to choose any aspect. At the moment, Departments are not entitled to refuse us doing any review, although they may sometimes come up with a practical reason why it would not make sense to do it at this particular time. That gives you assurance.

We can give you our reports for specific hearings. There is an entire Subcommittee devoted to hearing our work, and it has definitely been a lack, having a long delay to hearings, or having to conduct them in written form, in terms of the ease of getting traction and improvement from Departments. It can still be done, because of that basis of parliamentary support that we have. Ultimately, you are bringing a democratic mandate to holding the Government to account. That is crucial.



It is very time-consuming. In thinking about what the future arrangements might be, we would like to be sure that all that in-depth work that has been done, not just by us but by Government officials and partners implementing aid programmes—there is a lot of effort put in by everybody to an ICAI review—goes to a place where it can be used, and that there is sufficient time for you to call Ministers and officials and to use our reports to ask questions. When I say “you”, I am referring to MPs in general, since I do not know exactly what those arrangements will be. There needs to be time and resources.

I know that one idea that was mooted was to have a Sub-Committee within the Foreign Affairs Committee, as happened in the past when aid was under the Foreign Office. That Committee only had three or four MPs, and I know it can sometimes be a struggle to get a quorum. The main focus of the Committee would likely be elsewhere, with big foreign policy issues, so it is hard to imagine how we could achieve the same level of traction in improving aid without as many MPs focused on following through what our reviews say. Time is a big issue, as is resource to support the MPs. I do not know how many Clerks were supporting it in previous arrangements. Whatever the arrangements are, they should be sufficient to allow that in-depth holding to account. That is important.

There is the possibility that the merger could create a real opportunity in terms of parliamentary scrutiny. It has been a challenge for us and for the International Development Committee that it was based on a tradition that was counterpart Department-based, so it was hard to have the same level of focus from other Departments. It has not been so much a tradition to summon Ministers from all the other Departments. If it were possible to have an arrangement whereby everybody who was accountable could come before the relevant parliamentary body responsible, that would probably be an improvement.

At the moment, as just discussed with Mr Bacon, the accountability is not straightforward. Indeed, the NAO, as have we, has commented on the complexities of not having a single point of accountability for the aid programme. If there is not a single point of accountability, it requires different types of arrangements to ensure that there is a proper holding to account.

Q28 Chair: Mr Attah, would you like to expand on holding Government Departments to account and the role that Parliament could have in the future, post merger?

Ekpe Attah: I would reiterate what Tamsyn said, but in a slightly different way. From my perspective and the perspective of colleagues in the secretariat, there is an issue on the parliamentary side of the bandwidth to engage with us. Having the interlocutor within Parliament that we have at the moment, with IDC, the Sub-Committee and your officials, we can lever that to help with the engagement we need to do with Government Departments as we go through the review process.



Q29 **Theo Clarke:** Dr Barton, you have talked a lot about how ICAI works with Parliament. I wanted specifically to pick up on the Sub-Committee. Do you have any areas for improvement or challenge in the way the Sub-Committee works with ICAI, or suggestions for a way forward under the merger?

Dr Barton: I feel that it is a very constructive working relationship as things stand, based on long-standing close work and the knowledge that, for the Sub-Committee, our reviews are a priority. It is an expectation that there will be hearings and, therefore, opportunities to hold the Government to account, based on the evidence we bring to bear. I would not have any specific changes to suggest in that model. At the moment, we are encountering specific problems because of covid-19 rather than because of anything wrong in the structure.

What is valuable is having a dedicated resource to consider ICAI's reports, so that you and your colleagues who come to the Sub-Committee really get to know things in quite a lot of detail over time and are able to base your probing questions on the experience of previous ICAI reviews—or other inquiries that you have been making in general as part of the IDC.

It is something that has often been commented on by international observers that the UK's International Development Select Committee is, in itself, a model in terms of expertise, but the Sub-Committee is a more intense version of it. I would not say that it needs to change. It is important that we continue the frequent interaction that there is in regular meetings between us at commissioner level, as well as close collaboration between the Clerks and the secretariat. Please do let us know, however, if you think that there are ways in which we should improve how we should be working.

In terms of the future arrangements, it is really very unclear to us, beyond what I have already said on improvements, because it really depends on the opportunities that emerge with the new arrangements. We would really like to ensure that there is sufficient bandwidth, to use the term the Ekpe used, to use all that work.

Chair: Thank you very much. Can I thank the witnesses? That was a fascinating session. Can I thank the Committee as well? The last year that you have had has been quite tumultuous, with general elections and then covid. As we go into this one, to have both the threat of the merger and then trying to work out the detail is very challenging, but we really value the work of the Independent Commission for Aid Impact. You are truly independent and act without fear and favour across Departments wherever ODA spend occurs.

We really appreciate how evidence-led your work has always been and, I hope, will continue to be, and the help you have given our Committee, IDC, specifically in making sure that taxpayer's money is well spent. I hope that our relationship continues. It has become very clear that you



HOUSE OF COMMONS

still have a backlog of work, and you need to have your long-term work plan signed off by a parliamentary body. I hope that it is the International Development Committee going into the future, but whatever happens it is very important that you maintain your voice in Parliament because we do appreciate all that you do in holding Government to account on their foreign aid spend. Thank you very much for everything you do and thank you for attending this session.