

International Development Committee

Oral evidence: DFID's accountability (annual report and accounts for 2017-18), HC 1763

Wednesday 28 November 2018

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Members present: Stephen Twigg (Chair); Mrs Pauline Latham; Chris Law; Lloyd Russell-Moyle; Paul Scully.

Questions 1 - 73

Witnesses

I: Matthew Rycroft CBE, Permanent Secretary, Department for International Development; Juliet Chua, Director General for Finance and Corporate Performance, Department for International Development; Nick Dyer, Director General, Policy and Global Programmes, Department for International Development.

Examination of witnesses

Witnesses: Matthew Rycroft CBE, Juliet Chua and Nick Dyer.

Q1 Chair: Good afternoon and welcome to this session. We are expecting votes at 3.30, so we are starting slightly earlier than had been planned. We are seeking to cover 11 areas over the hour and 10 minutes that we have. Let me kick off and ask you, Permanent Secretary, what the overriding objectives are for UK aid with respect to the 2019 spending review.

Matthew Rycroft: Thank you very much, Mr Chairman. If I may, I would like to begin by thanking you and the Committee for everything you have done over the course of the last year to hold us to account, to scrutinise us, and to support us as we seek to spend the British Government's international development budget in the best possible way, both for the developing world and for the national interests of our own country.

The overarching framework for all British aid spending continues to be the aid strategy, plus the manifesto commitments of the governing party from the last election, plus our single departmental plan. If you put all that together, the absolutely top priority in terms of the framework is the implementation of the United Nations 17 sustainable development goals—the global goals—by 2030. Part of that, as you know, is the eradication of extreme poverty and the reduction of other types of poverty around the world. That is our top-level ambition, and, if I may, I would like to pay tribute at the very start of this session to the 3,300 members of the Department staff who work tirelessly in pursuit of those noble goals, often in very difficult circumstances.

Q2 Chair: We would want to echo that, and thank you for that. You will know that we have expressed concern, as has ICAI and others, about the other Government Departments and the extent to which poverty reduction and the SDGs really run through the veins of the other Government Departments that spend ODA. Are you satisfied there is that commitment in the other Government Departments, particularly to focus relentless on poverty reduction?

Matthew Rycroft: Yes, for the reason that reducing poverty is not an objective just of the Department for International Development; it is a policy for the whole of the British Government. This Department supports the idea that there are other Departments and other pooled funds that have a valuable role to play, in addition to this Department, in spending the UK's official development assistance. As you know, although the DFID amount in pounds of aid money has gone up every single year, the proportion of the total has fallen now down to 72% per year, meaning that for the rest of the British system the proportion has



HOUSE OF COMMONS

gone up to 28%. We need to make sure that there is proper coherence as well as transparency and value for money.

Q3 Chair: Are you confident that DFID has the power, in a sense, within the Government to ensure that that policy coherence is there? We took a lot of evidence that raised concerns, for example, about the Prosperity Fund and how far it matches the poverty reduction focus.

Matthew Rycroft: The report that the Committee published was extremely well evidenced and very valuable in terms of setting a future direction for the whole of the British Government's aid spending. I would answer the question in two parts. There is the status quo that we are operating under at the moment, and we need to make best use of those governance arrangements across the whole Government, including the ministerial committee that my Secretary of State, Penny Mordaunt, co-chairs. Secondly, we need to learn the lessons from your Committee's reports and other sources that suggest that the governance arrangements in the future could allow a stronger role for the Department for International Development—just in terms of spreading best practice, and making sure, for instance, that the way that we spend aid money can be replicated in other Departments. There are many Departments that are seeking to spend aid money in the future and that are avidly learning from that.

Q4 Chair: Obviously one of the issues is that some of this expenditure is part ODA and part not ODA in some of the funds. Are you confident that the potential blur is something that is being addressed by the structures the Government have at the moment, or does it require some further change?

Matthew Rycroft: The idea of having aid money and non-aid money blended together in pursuit of British Government interests is a sound one, but it is for other people to be held to account, if you like, for that spending. I am the accounting officer for money spent inside the Department for International Development and one of our jobs, as you know, is to make sure that the whole thing adds up to 0.7%. The individual bits of spending outside DFID are the responsibility of other accounting officers.

Q5 Chair: Do you anticipate pressure for the share that DFID has of ODA to fall further below 72%, or do you think we have hit the low point?

Matthew Rycroft: You had better ask the Treasury that, because that is going to be an issue for the next spending round.

Chair: I thought you might say that.

Matthew Rycroft: Certainly from the point of view of this Department, I can say that we feel that it should not fall any further. Indeed, it should go back up a bit just to make sure that we really can assure you and others that the 0.7% will be hit each year. Pretty much anything under 75% is actually quite difficult.



Q6 **Chair:** You would say 75% should be a baseline, ideally?

Matthew Rycroft: We will obviously live with whatever the spending round outcome is but I can assure you, Mr Chairman, that we will go into that spending round with a confident proposition, both in terms of what we spend aid money on and, indeed, how the whole of the 100% of British Government aid money can be brought to even greater coherence.

Q7 **Paul Scully:** Matthew, we did our education report last year, if you remember, and we were concerned about the relatively low funding of education at that point. Although the spend has increased now, so it is 11.3% of UK aid, it still remains lower than the spend on health, which is 12.2%. Why does spend and ambition on education remain lower than health?

Matthew Rycroft: I would not describe it as a lower ambition. The numbers go up and down a little bit, because a majority of these programmes are large and multi-year, so sometimes things go up and down. It can look as though there has been a deliberate choice to downplay one or up-play another, but actually it is just one of those things, and it all comes out in the end.

Broadly speaking, health and education are of broadly equivalent importance in terms of the eradication of extreme poverty. They are both basic needs that every person around the world has the right to. The UK can be proud of the role that the Department for International Development plays in the poorest countries of the world in ensuring that people do have access, both to education and to health.

Nick Dyer: One of the things that distort the funding between education and health is the large number of health funds, such as Gavi and GFATM, which we put quite significant resources into that are not replicated on the education side. They attract more resource because of those funding mechanisms.

Q8 **Paul Scully:** You talked about how the two play off with each other, in education and health. Obviously having better education can lead to better health, ending violence and promoting economic development. Do you think there is more DFID could do to take a lead and have more of a commitment in education?

Matthew Rycroft: There is always more we could do. With more resource, there is more that we could do. I am proud of what the Department already does on global education. When I went to South Sudan, for instance, one of the toughest places in the world to be a child, particularly a girl, it is really inspiring to see that UK aid is helping to increase the proportion of children, among them girls, getting the education that they deserve.

I am also glad that, at the Commonwealth summit, the UK led the way for this commitment to 12 years of quality education for every child around the world. Yes, there is more we could do but the figures that



HOUSE OF COMMONS

you quote give us a sound basis for us to build on. What we really need to focus on now, more even than the quantity of aid on education, is the quality. There has been a bit of a sense this year that globally education has gone through a reassessment about whether we have been measuring the right things. Broadly speaking, we have been measuring inputs and outputs, in terms of children going to school, rather than what they learn. Now we are focusing on what they learn.

Q9 Paul Scully: I do not want to labour the point, but you talked about the funding changes. In the annual report, you gave more prevalence to health rather than education. I wonder if you can explain that.

Matthew Rycroft: It is just to do with the big programmes we have funded.

Juliet Chua: It is worth saying a little bit about our resource allocation model. The way that we allocate resources is initially through the top-down steers, as Matthew described, of our aid strategy and our manifesto commitments. Also it is very much informed by proper detailed analysis in country-by-country programmes based on their country diagnostic, combined with a set of information about where the need lies and where best UK money is additional to what is already being spent. The aggregation up to a particular sector will reflect a set of very serious pieces of decision-making and analysis that builds the programme in each place. To continue Nick's point, you will see, across a number of years, some changes that will reflect essentially the right diagnosis for each country brought together.

Nick Dyer: Over the years we have collected a number of spending commitments on health. We have the £500 million for malaria per annum. We have the £230 million for family planning per annum. Once you start adding up the commitments we have inherited over time, naturally you are going to have quite a big health spend. Can I just pick up on one of the other points that Matthew mentioned about quality versus quantity? One of the things that we are in the process of doing now is asking ourselves the question, "What works?" What works in health? What works in education? What we are finding is there is a much larger body of evidence in health in terms of giving you insights into what you should do and what you should stop doing. There is less of that in education. We need to generate more knowledge about what works and what does not work in education before we make those large investment bets, which you do have in the health sector.

Q10 Chair: Are you able to update us on progress on the International Finance Facility for Education, the mechanism that Gordon Brown has been working on?

Matthew Rycroft: We continue to work very closely with Gordon Brown and his secretariat on that. We convened a group of donors to look, with his team, at the technical detail of the sort of financing arrangements and other technical aspects of the preparation. We were keen to make sure



HOUSE OF COMMONS

that the financing facility really was going to be additional, but we very strongly support his aspiration that we should be incentivising the spending on education by Governments in the developing world. That is the overarching purpose of the facility, which we support.

- Q11 Mrs Latham:** The UK aid strategy, which was published in 2015, said that the Department would allocate 50% of its budget to fragile states and regions in every year of the current Parliament. In 2016, according to your data, DFID spent 59% of the budget in fragile states and regions. What happens is there is no analysis of the effectiveness of that programming across individual countries. I think that would help, because that does not tell you what the impact is by each country. It would be really helpful to know about that.

Why is your spend in countries such as Malawi and Zambia so small, when we are spending so much in places like Pakistan and Ethiopia? Ethiopia is obviously on the same continent and Pakistan is not, but Malawi and Zambia really are getting small amounts. Does it mean that they no longer fit with your strategic objectives? If they do not, why do they not?

Matthew Rycroft: I would not read that conclusion into the data. The most important thing to say is the target of spending 50% in and around fragile and conflict-affected states is totally integrated into the decision-making of the Department. We have easily exceeded it this last year. I would expect, looking into the future, and if I had a crystal ball, that the proportion would increase still further, because there is such a strong link between poverty and fragility or conflict. Tackling both of those things, and tackling them together in the toughest parts of the world, is going to be an ever bigger part of the Department's work.

Precisely because those states are fragile and affected by conflict, it makes the measurement of impact even harder than it is elsewhere. That is not an excuse and that is not to say that we do not do it. We do, and we can make available to the Committee the work that we have done to assess the impact of our work in particular countries, if that would be of interest to the Committee.

- Q12 Mrs Latham:** It would. It is about outcomes and what you are delivering with the aid that you are spending. Why is that Malawi and Zambia are not getting what would appear to be a fairly important slice of the cake? They are not getting that. Ethiopia and Pakistan, for instance, are getting huge sums of money. I know Pakistan is an enormous country and Ethiopia is pretty big but why are Malawi and Zambia not getting a fair share?

Matthew Rycroft: The starting point for our allocation model is bottom-up. We ask offices in each country to work typically with the authorities of a country and to put proposals to us on what they think will work best in terms of reducing poverty in that country in pursuit of a win-win agenda: the agenda of the country and of the UK. We then aggregate it



HOUSE OF COMMONS

to make sure that everything adds up and fits in with the top-down prioritisation that I set out at the very beginning. I would not draw the conclusion that a country such as Malawi is underfunded.

Nick Dyer: As Juliet said, we run an aid allocation model just to test whether the bottom-up process looks rational against the criteria of saying that if you allocated all your money to countries on the basis of their population, their degree of poverty and their ability to self-finance out of poverty, how would that look? The amount we give to Zambia and Malawi looks broadly right on the basis of rational allocation. You are right to say the reality with Ethiopia is that it is a very poor, very large country and therefore will get quite a significant amount of allocation on the rational basis.

Q13 **Mrs Latham:** You do not put any of that in your report. You do not break it down enough, and I think it is difficult to understand if you do not do that.

Nick Dyer: With the aid allocation model, we do not mechanistically use it to say, "Therefore country X will get this amount of money". It is just a way of challenging ourselves and testing ourselves as to whether the bottom-up process looks broadly right. We do not want to confuse people by suggesting that we are mechanistically allocating top-down.

Matthew Rycroft: It is fair to say we do have a huge amount of evidence of what works and what does not in places like Malawi, for instance. We would be very happy to share that with the Committee if that would be helpful, even though it is not in the annual report.

Q14 **Mrs Latham:** I think you could put more in the annual report. ICAI's report also pointed out that it is difficult to ascertain the country portfolios from your report. Surely, it would be better if you could address that next time.

Matthew Rycroft: While we are on the subject of transparency—and we will absolutely take away the suggestion of that for next year's annual report—we do have a good track record on transparency in general. The Development Tracker system does allow any member of the public to dive into some detail, country by country, if that is what they are interested in, to see what we are spending. I was delighted but not at all surprised to see that DFID has gone up one place still further on the transparency index. We are now third-placed around the world, which is a good place to be on transparency. There is more to do, including to follow up your proposals, but we are in a good place.

Q15 **Chris Law:** According to the most recent figures, core funding to multilateral accounts was 36% of UK aid with bilateral through multilateral accounting for a further 19%. This has been roughly the balance for many years. Do you expect that to remain the same in the future?



Matthew Rycroft: Yes, approximately, but a little bit, as in answer to the question about education versus health, these things do sometimes go up and down because a big decision gets taken for a replenishment, which might skew the figures a bit. Of course, one big part of our multilateral funding—funding through the European Union—will be diminishing after the EU exit, but the UK's commitment to and funding through the United Nations, the World Bank and so on will remain undiminished. When you look at the pros and cons of funding through multilateral versus bilateral, you see that there are some significant benefits for the UK of doing some of our funding through the multilateral system. Sometimes you can get greater scale that way. Sometimes you can reach parts of the world that we could not otherwise reach, and of course you get that leverage of bringing in other countries and maximising the bang for the buck for the British contribution.

There are many benefits in working multilaterally, as well as the obvious benefits of working bilaterally, including the link between what we do and being able to claim credit for it and to demonstrate to the world that this is UK aid.

- Q16 **Chris Law:** I am going to come to the EU later. On the question of multilaterals, how successful has the Department been in linking multilateral funding to performance? Is that even necessary? A lot of multilateral pooling is quite long-term funding. Is that not the case?

Matthew Rycroft: I know, from my last job representing the United Kingdom at the United Nations in New York, the importance of really pressing the UN to reform. One of the ways that we can most effectively reform the UN system is through payment by results. Rather than giving the UN the whole of the money up front, with no strings attached, what we now do is to say, working very closely with the relevant bit of the UN, "Here is the money. We will withhold 30% of it and we will pay the final 30% as and when you can demonstrate that the results have been met". That is an innovative approach to funding the multilateral system, which we are trying out. It has a good chance of success, provided we can do it in a way that has the buy-in of the multilateral organisation.

- Q17 **Chris Law:** The question of reform will depend on the opinion of what reform is on that matter. I had some interesting discussions recently with UNHCR about the lack of continuous funding that is coming forward. However, what has the Department been doing to improve the performance of multilaterals that were judged as underperforming in its 2016 multilateral aid review?

Matthew Rycroft: The multilateral aid review, as you imply, did highlight very starkly those bits of the international system that are doing well and those that are not. By doing well, we mean both being aligned to UK interests and, secondly on a different axis, effectiveness at fulfilling its own objectives.



HOUSE OF COMMONS

We have a number of ways of engaging with the poorer performers. One is through this payment by results method that I have already described. Another is through ensuring that we have a very robust performance agreement with each part of the international system. To take one example—UNESCO—we have been working very closely with the new head of UNESCO, Audrey Azoulay, on her reform agenda. We are supporters of that because we feel that it will help UNESCO to become a better performing part of the international system.

Q18 Chris Law: I was not going to ask a question on UNESCO but now that it has been brought up, it was in the press less than two weeks ago that the Secretary of State was talking about withdrawing funding from UNESCO, which has come as a shock and a horror to most people. Do you know if that is still the case or if that has now been revoked?

Matthew Rycroft: The UK continues to be a member of UNESCO and we will carry on our funding but we will make sure, through our relationship with UNESCO, that we encourage it to carry on reforming.

Q19 Chair: Is withdrawal under consideration? The media report seems to suggest that withdrawal was being considered.

Matthew Rycroft: We always face choices about which parts of the international system to be part of and continue to be part of, but it is fair to say for the foreseeable future we will continue being a part of UNESCO and use our position inside UNESCO to encourage reform. The same applies to other parts of the multilateral system.

Q20 Chris Law: Just to be clear, it is not under consideration.

Matthew Rycroft: It is not currently under consideration.

Q21 Lloyd Russell-Moyle: On this 30% thing for multilaterals, my understanding is that you have linked the performance of a number of UN bodies, such as UN Women and UNFPA. If UN Women fails, UNFPA also gets a 30% cut. Where is the incentive for UNFPA to know that the money it is getting is for its work, whether it is good or bad, if it is going to be checked against the performance of a completely separate fund?

Matthew Rycroft: Nick might want to add to this but let me start off the answer by saying the following: we want to incentivise not just good reform by one part of the UN; we want to incentivise collaborative working across the UN. I know all too well from my previous role that that is a difficult thing to do. The UN is a very big bureaucracy and the incentives are not always aligned to maximise collaboration and teamwork, to put it mildly. Our payment by results policy is designed to bring together, as in your example, UNFPA and UN Women; we do the same thing with OCHA and UNHCR, and indeed many other different bits of the UN.



HOUSE OF COMMONS

I have to say there are the early signs of some progress on that score. My predecessor in this role, Sir Mark Lowcock, who is now the head of the humanitarian affairs part of the UN, is establishing a very strong position for himself as a collaborative leader who is joining up with his peers across the other parts of the system. That is working extremely well. We will carry on incentivising the joint working.

In the example you took, UN Women does have an incentive, and so does UNFPA, of working with the other and making sure that together they can achieve the targets that we have collectively set with them, and then they would both get the extra money.

Nick Dyer: I have nothing really to add to that, bar the fact that this is an absolutely new approach, with the idea of linking collaborative indicators rather than individual indicators. It is absolutely the right thing to do. Our diagnosis of the UN is exactly what Matthew said: that they are competing rather than collaborating. How do you create incentives for collaboration? This is the mechanism we have adopted.

Q22 **Lloyd Russell-Moyle:** If the 30% is withheld, and I hope it will not be—

Matthew Rycroft: So far it has not been.

Q23 **Lloyd Russell-Moyle:** Is it then reserved that that money is spent on that topic area bilaterally, or does it just go into a pot? Is that 30% lost? If we have pledged that amount for maternal health, for example, or family planning, and UNFPA does not quite meet up, do we then say that we will make sure we commission with that 30% of other money maternal health and family planning activities?

Nick Dyer: For the humanitarian agencies, we have committed that if they lose 30%, we will continue to use that 30% for humanitarian activities. We made that commitment on the humanitarian side.

Q24 **Lloyd Russell-Moyle:** That is on the humanitarian but not the others.

Nick Dyer: Not on the others. On the others, we will look at it on a case-by-case basis.

Matthew Rycroft: If we had a commitment to do X, and X was made harder by the withholding of something, we would still meet X. We would find different ways of doing it.

Nick Dyer: For instance, with UNFPA, we have our family planning commitment. If we could not meet our family planning commitment because we reduced money from UNFPA, we would have to think about how to allocate it in a way to meet that family planning commitment.

Q25 **Chair:** Am I right that you have supplier agreements with some multilaterals but not others? Is that correct?

Nick Dyer: We have performance contracts with some multilaterals but not all of them.



Q26 **Chair:** Why is it not universal? Is that just the nature of the relationship?

Nick Dyer: For some organisations like the World Bank, the performance-based conversations we are having happen through the replenishment process. For the other organisations, it does not.

Q27 **Chair:** I see. For the UN organisations, pretty much there would be some sort of performance contract.

Nick Dyer: Yes. There is a performance contract or a performance-based approach for each of the UN agencies.

Q28 **Mrs Latham:** Programme partnership arrangements, or PPAs—I hate all these acronyms—through which the Department used to provide core funding to NGOs, have been abolished in favour of a package of new funding channels. Your report does not explain how these are working. There have been concerns within the sector as to projectisation, as opposed to longer-term capacity-building. Why does the annual report not provide any detail on that and what has the impact been of the recent shift?

Matthew Rycroft: Before handing over to Juliet, let me assure you, Mrs Latham, that the Department and the Government continue to see an absolutely crucial role for a vibrant civil society sector in the UK. That is something we can be proud of as a country. It is part of our leadership and soft power around the world. Civil society organisations, in general, continue to be a hugely important set of partners for the Department for International Development. It is really important that we continue all of that as we move from the previous approach to the new one.

Juliet Chua: The PPA arrangements, as you described, ended in 2016, at a point where, as part of our overall review with civil society, we recognised there was a really strong case to move away from a small number of large CSOs receiving core funding, to a model where we provide central funding for a range of different programmes, which particularly encourage an increased number of small and medium-sized civil society organisations to be able to work with us in different ways. We have four different central funding pots, essentially: a direct pot, the Small Charities Challenge Fund, Aid Connect and matched aid. Each of those have a set of objectives that enable us to work with civil society in different ways. We are really pleased to see, particularly with the Small Charities Challenge Fund, an increase in the number of charities and civil society organisations that previously would not have worked with us but that are now part of DFID business and providing some real innovation.

Q29 **Mrs Latham:** I am told that it is very difficult to get through the system to apply for funding. I think you would have many more if you made it simpler. Have you done any analysis as to people who failed and why they failed, and why some people have succeeded?

Juliet Chua: The Small Charities Challenge Fund is a two-year pilot, so we are learning lessons at the moment after the first wave, which was



HOUSE OF COMMONS

£4 million. As I say, we are obviously pleased to see increased uptake by a range of organisations that we previously had not worked with, but we can certainly look at lessons learned and follow up with a note on that if that would be useful.

Nick Dyer: Can I add one thing on funding? One of the big shifts that came out of the civil society review was not only the move away from the PPAs and the four categories of funding, but also moving to a funding approach where we have committed now to the charities and NGOs that we will pay not only direct costs but overhead costs. This is something that the NGOs have been asking us for over a number of years. We have been, if we are honest, inconsistent in terms of how we have approached funding of overhead costs for many years across the organisation, and we are now in the process of regularising that. We do think that is both fairer and leads to more competition. It is likely to lead to less preference for the big organisations, and to a lot more smaller organisations being willing and able to bid.

That scheme has just last month started to be introduced. It has taken some time to get us to this point because we have had ongoing consultations with the NGOs. By April next year, we are going to be rolling this out throughout the whole NGO sector.

Q30 **Mrs Latham:** Even DFID cannot get away without talking about Brexit. What will the impact be on the ability of UK-based NGOs to access the funding beyond 2020?

Matthew Rycroft: We have been very clear, in the negotiation leading up to the withdrawal agreement and the political declaration, that it is imperative that if the EU wants the UK to be working side by side with it in the future, through potentially joint pools of funding, then its needs to make sure, first of all, that the UK has an appropriate voice in the decision-making about the running of that joint pool, and secondly that there is fair access for British-based organisations into that pool. I am glad to say that both those points are reflected in the agreement reached.

Q31 **Mrs Latham:** The projects that are part way through being funded—will the funding just continue until the end of the project or will it be stopped, maybe even from next March?

Matthew Rycroft: The reason that there is a concern about that question is because the Commission did say that, in the event of a no-deal Brexit, UK-based NGOs might find that their funding was cut off at that point. As a result of that threat, the UK Government decided to assure those British-based NGOs that, in that circumstance, we would make sure that they carried on getting the funding that they need and deserve.

Q32 **Mrs Latham:** Would they then work independently of the EU because they would not be part of that project anymore?



Matthew Rycroft: If we were in that scenario, yes.

Nick Dyer: Can I add two things to that? The withdrawal agreement is pretty clear that, when there is a deal, any programmes that are agreed up until the end of 2020 will be carried through to the implementation. In the case of a deal, there will be no problem for the UK NGOs. When the UK becomes a third country within Europe, if we do not have a case-by-case agreement of continued funding where UK NGOs can get access, third-country NGOs can, where the countries are least developed or HIPC countries, still be able to bid. In 70% of the EDF, any OECD NGO can bid for EU contracts. As a third country, UK NGOs will not be ruled out automatically. In fact, there still will be quite a big number of projects they can still bid for.

Q33 **Chair:** We are going to return in a while to the broader issues around Brexit and development. Can I follow up on the small organisations and small NGOs issue? We were in east Africa last week, and something came up that often comes up when we are on visits, which is about access to small, non-UK based organisations—the local organisations in country. Is there a case, certainly in some of the countries with larger country programmes and therefore larger budgets, for creating locally controlled budgets to which local civil society could potentially apply for funding?

Matthew Rycroft: The first thing to say in response to that, Mr Chairman, is we do want to do more and do better with small organisations, be they UK organisations or now non-UK organisations. On the UK point, we recognise that this is a really good way of connecting the very generous British public. We have a shared ambition in that area.

Chair: Absolutely. I get that, yes.

Matthew Rycroft: On the east Africa NGOs, for instance, I do not think we want to create a core funding type arrangement, where we would be offering them essentially a more certain or more favourable funding relationship than we would offer to British NGOs. We want to make sure that that Kenyan NGOs have access to some of our projects if they are best placed to deliver them. As a general rule, a thriving NGO sector is a good sign for a country seeking to lift itself out of poverty. It would be one of the ambitions of the DFID office in a country such as Kenya to make sure that there is a flourishing NGO community. To the extent that we can help with that through our own decision-making, we will.

Q34 **Chair:** One of the specific aspects is around advocacy. Obviously, there is provision of services and those kinds of projects. I take your point about a level playing field. In a particular example of a conversation I was having last week, Kenya is considering a new refugee law. There are people advocating within Kenya on that law. Might there be potentially a situation like that for those sorts of groups to secure probably quite a modest amount of UK aid funding, and they would be almost certainly



better placed to do that than a UK or internationally based NGO?

Matthew Rycroft: We would take decisions on that sort of issue very much case by case. That sort of issue would be absolutely led by our really great team in Kenya, who I am looking forward to visiting next week, as it turns out.

Juliet Chua: I was going to come in with a more general point reflecting the conversation we had this morning about our commercial and procurement activity, and the investment we are making in essentially having much greater emphasis on sourcing strategies and thinking much further upstream at the concept stage of any business case, and about where there are different ways to deliver the programmes we want to put in place. That involves programme teams at country level really thinking in a range of different ways about where they can, as you describe, work with different local partners, see what that supply chain looks like, and see how they can engage with their local market in different ways and earlier, to try to build that type of approach. That is not the same thing as having a central budget; it is a mechanism for thinking about the relationship and partnerships we build much further upstream.

Nick Dyer: The experience of the small charities scheme is that if you really want to make this work, you have to strip back many of the procedures, bureaucracy, controls and due diligence that you expect of bigger projects. Let us be clear: there is a trade-off here between control and assurance and flexibility.

Chair: I totally accept that.

Nick Dyer: I am sure, as accounting officer, you will want to be very clear about what you are losing in terms of taking that approach. We do need to be careful when we are encouraging that kind of flexibility to make sure we still have enough due diligence, control and assurance in place.

Q35 **Paul Scully:** Talking about streamlining, in light of the fact that you are reducing administration spend, what work has the Department conducted to make sure that the frontline teams have sufficient back office support to achieve their programmes and aims, and deliver the Department strategy?

Matthew Rycroft: It is a very important point and a balance that we need to get right. The overall staffing for the Department has grown over the last five years by 23%, and is continuing to go up very gradually. That is against the backdrop of the aid budget growing by more than that—by 33%—over the same timescale.

Q36 **Paul Scully:** That is why it has grown—it is to match the increased spending.

Matthew Rycroft: It has grown because there is more spend but it has not literally kept up. We are getting more efficient, so we have used the



HOUSE OF COMMONS

growth not just to expand willy-nilly, but to make sure we are driving efficiency as well. The statistics show that we have. You are absolutely right that if we were to push that too far, we would risk either not having the assurance and due diligence process that Nick has just described as being effective enough, or some other part of our support function not being able to genuinely support our frontline delivery. We keep that under very close review, but I am satisfied that we have the right proportions at the moment.

Juliet Chua: Referring again to a conversation we were having this morning in relation to procurement, there are a number of areas of what we would describe as the second line of defence, where we support frontline activities with the sort of corporate activities that exist in London and our headquarters in Scotland. The critical thing there is making sure that there are the right specialist skills and support, and in a number of areas we have grown, particularly in the Treasury, which has enabled us to increase our headcount on commercial activities. The Committee has been interested previously in whether we have the right ratio of staff, and in going to the next spending review we are thinking very hard about our operating model, and making sure we have the right operating model for the future, particularly about how staff spend their time and whether we have that ready. In terms of a conversation with the Treasury for the next spending review, we are thinking hard about the right mix and whether we have that right.

Q37 **Paul Scully:** Are you in a position yet to say whether you are likely to be looking to make further savings for the administrative budget next year?

Juliet Chua: As Matthew has described, we have made significant savings in this period. We are committed to nearly £400 million, which we are on track for. A lot of that has actually come out of procurement, and some through our estates and IT. Obviously we look to be as efficient as possible in all aspects of our business, but we do need to test and make sure we are fit for purpose as an organisation alongside that, and that we have the right mix across the board.

Q38 **Paul Scully:** Do you have any thoughts yet on staffing for next year? Are you anticipating that going further next year?

Matthew Rycroft: For next year, we anticipate it to carry on going up but only slightly. For the year after that, it is the start of the next spending round period, and I cannot make any statements on that because it depends on a negotiation to be had. Suffice it to say that going into that negotiation, we will be making proposals not just on what we should be doing but also on the sort of staffing that we need in order to do it effectively.

Q39 **Paul Scully:** You talked about the fact that staffing is going up because of the increase in the budget and what have you. What parts of the Department are those new staff joining?



Juliet Chua: They are joining a number of areas. They are in areas such as economic development—that is an area where we have seen some growth, and where you need to make sure you have the right mix of skills with that experience. We have also grown in areas like safeguarding. In the last year, we have sought to put in place a specialist safeguarding unit. We have also increased the number of people in our internal audit function to make sure we have the right compliance and checks in that, including with specialist safeguarding skills. As I described, commercial and procurement is another area where we have grown.

Q40 **Paul Scully:** Are country offices sufficiently staffed, and do they have enough adviser experience and expertise, in your view?

Juliet Chua: Within the overall admin budget, our frontline delivery numbers have continued to grow, but we keep that under view. As Matthew has described, there is a ratio between making sure there is the right number of people to ensure we are spending the money well and that we have the right oversight, but also that we have really strong development of future programmes.

Q41 **Paul Scully:** It is one of those things that comes up in ICAI every now and again. Some of the ICAI reviews suggest that some countries seem to be falling short and some other countries seem sufficient.

Matthew Rycroft: Because the spending round is a little bit later next year than we had expected, we actually have a bit more time to do some preparation. One of the things that we decided to do now to make good use of that time is to review what we call our operating model. Among other things, that will look at whether we have, broadly speaking, got the right sorts of people in the right sorts of places to deliver the programmes that we want to deliver, and crucially, where we want to be in the future—whether we would want to carry on with the footprint we have now or, more likely, whether we would want it to shift to take account of the changing nature of the world and the UK's interests around the world.

Q42 **Lloyd Russell-Moyle:** Earlier this month, in a speech to CDC—later Penny was forced of course to come to the House to announce what she had said to the media—the Secretary of State said that she had plans to make private investment part of the Government's commitment to spending 0.7%, and she wanted to make aid money work twice as hard. That was the phrase that she used. She then effectively went on to describe an accounting trick that would double-count aid.

In 2015, we lobbied successfully—probably rightly, in all honesty—to change the accounting method in CDC from when the investment was made to when the British Government put the money into CDC. It seems, from my conversations with DFID sources and others in the sector, that there is now a consultation about using a relatively complex formula to work out what level of profit could be classed as grant money and then count that as ODA. Bearing in mind that this money would



HOUSE OF COMMONS

have been reinvested anyway—CDC has never paid out a profit back to the Treasury, and so we are not talking about new money—this seems actually to me like money working half as hard, because you are counting the same money twice. What reassurances can you give me, and what safeguards have you put in place to make sure, that that is not in fact the case?

Matthew Rycroft: Before handing over to Nick, let me first of all reassure you without doubt that there are no accounting tricks and there is no double-counting. That would be against the ethics of the Department, of the civil service, and indeed against the interests of the Department and the British Government. Anyone who has interpreted anything that anyone has said from the Department in that direction has misunderstood their intent.

It is, though, a complicated issue. It is complicated because the rules allow two different ways of scoring official development assistance. There is what we call the institutional approach, which is when we score it as ODA—that is when the British Government gives the money to the institution, in this case, the CDC. Secondly, there is the instrumental approach, when the institution—the CDC—puts that money into an instrument. A country can choose, under the rules, which method to score by, and the UK has, up until this point, always chosen the former, which is the institutional approach. We score the ODA when it passes from the Treasury or DFID to the CDC.

Q43 **Lloyd Russell-Moyle:** From 2015 we chose the institutional approach.

Matthew Rycroft: Yes.

Q44 **Lloyd Russell-Moyle:** Prior we did the—

Matthew Rycroft: In the future, if we so wish, we have a choice. We do not have to stick with the institutional approach but we are sticking with it for now.

Q45 **Lloyd Russell-Moyle:** The idea of the new changes is to give Government flexibility on which process they choose, and then the Government stick with that process—they do not flip over when they are going to refinance, and flip back again when they are spending the money out. If you do the flip—this is a bit like MPs when they flip their houses; it is that kind of trick. If you do the flip at the wrong time, you end up looking very good but actually you have fiddled the books. If you flip at the right time, of course, maybe it is legitimate. What safeguards are you putting in place to make sure you are not suddenly flipping just at the time that you have stopped paying into the institution, so that the institution is making the profits on the money that you already counted? What safeguards do we have the flip will not happen?

Matthew Rycroft: We are not flipping at all; that is the assurance. We reserve the right under the rules to choose in the future. Rest assured that we will act within the rules.



Q46 **Lloyd Russell-Moyle:** If we are going to stick with the institutional approach, and if we are not opening up looking at any other accounting, what was that announcement all about?

Matthew Rycroft: One of the purposes of the Secretary of State's speech was to begin a national conversation about whether British members of the public, in addition to getting involved in international development work through their taxes, and in addition to their own private giving where relevant, can also think about whether their pension funds invest in ways that, in addition to making a return, also do some good around the world and have some development impact.

Q47 **Lloyd Russell-Moyle:** I got that. The speech was kind of in two halves. Are you saying that the whole CDC part was just a bit of rag-waving and did not produce any detailed change of policy?

Matthew Rycroft: It was setting out our policy.

Q48 **Lloyd Russell-Moyle:** It was setting out a stall of where we are at the moment.

Matthew Rycroft: It was setting out our policy and a direction of travel for us to scope out.

Nick Dyer: I do not have much to add to that. I would just clarify that the measure of ODA—we should be very clear about this—measures public intent; it does not include private flows and it never has done. The Secretary of State was very clear about that in the House.

The point that she was trying to make in the debate that followed the speech was that in the instrument approach, there is an ongoing debate in the DAC as to whether and how you treat profits. That is just a reality. There is a debate in DAC about how you treat profits. In the instrument approach, when there is a repayment it counts as negative ODA. There is a debate about whether the profits should count as negative ODA, or whether you should cap the negative ODA as to the amount of the original investment. That is just a debate that is ongoing. The Secretary of State was just reflecting that debate.

Q49 **Lloyd Russell-Moyle:** We do not use the instrumental approach.

Nick Dyer: No, we do not.

Q50 **Lloyd Russell-Moyle:** It is slightly strange for a British Secretary of State to start raising this as a keynote speech. Maybe it would have been useful if you guys had given the speech rather than her, because there seems to be more clarity from you.

On the first point of her speech that you mentioned, you said it was about her trying to leverage more private investment. What was the Department not doing in the past that it is now going to do and that will suddenly leverage more private investment? Ignoring the CDC—we have realised that is a bit of fluff, in speech terms—what is the Department



going to do differently now? What was it not doing in the past that is going to leverage? Asking people to look at their pension funds is not what the Department is doing. What actual material things is the Department going to do?

Matthew Rycroft: First of all, the Secretary of State was very clear in her speech and in the House. Secondly, the CDC is not a bit of fluff. I know you did not mean it like that. What we are doing differently—this is not a binary moving from doing nothing to doing everything; these are further steps on a journey that the Department has been on for some time. We are putting economic development, which Nick leads on at Director-General level, front and centre. We are acting on the insight that a country, in order to sustainably get out of poverty, needs to grow itself out of poverty, creating its own jobs and investment. What we are going to do, using the fact that the City of London is such a potential hub for development, is drive things forward, but not, as you say, only through the CDC, but through lots of other activity. There is that speech, next year's African Investment Summit, to follow up the Prime Minister's visit to Africa, and any number of other initiatives—there is a whole load focus on this area.

Nick Dyer: To answer the question, at the moment the major focus of our development finance interventions has been through CDC. We are thinking about what the next phase of development finance work that we should be thinking about is, outside the CDC. There are a range of potential activities—you have heard discussions about a potential development bank, which might include sovereign lending. It also includes how you encourage and incentivise pension funds to take more seriously investment opportunities in poor countries.

The interesting revealed experience is that Canadian pension funds do this. Canadian pension funds are investing in India and are looking at Africa, whereas UK pension funds are not. That is partly because of their fiduciary responsibilities. They think that there is a regulatory constraint on them investing in difficult places. They also think that the perceived risks of investing in Africa are higher than they are. One of the core questions we are asking ourselves is how we engage with the pension fund industry to try to change those perceptions, and also it is about what we can do to get some of the £8 trillion of assets that the City of London is holding and get those invested in Africa? Just 1% of that would release \$110 billion, which is twice the amount of aid money that is going into Africa each year.

Q51 **Lloyd Russell-Moyle:** You have said some really laudable stuff about some really great new investments. How is that making your money work twice as hard? Is it not just putting more programmes in? What does the Secretary of State mean? That was what was trialled in all the newspaper and by the Department's press, but how is it making our money work twice as hard?



HOUSE OF COMMONS

Nick Dyer: If you can use £1 of grant aid money to get the private firms to invest an additional pound, it is working twice as hard, because you are getting £2 invested in a country whereas before it was just the £1 of grant.

Q52 **Lloyd Russell-Moyle:** This would not have happened unless Penny had come and made her intervention and speech.

Nick Dyer: What she has been very clear on to us, and very clear externally, is that there is a \$2.5 trillion financing gap in development. If we want to achieve the SDG, you are not going to deliver it through aid alone. You are going to have to incentivise the private sector to get involved.

Q53 **Chris Law:** How much of the £1.5 billion of ODA that is spent through the EU do you expect to continue when we exit the EU?

Matthew Rycroft: The Government have committed to fulfil all of our funding commitments. Part of the deal that the Prime Minister reached at the weekend sees us continue to pay official development assistance into the European Union for some years after the EU exit. That is partly for the implementation period but then also beyond that, for a small number of years, given the multi-year nature of development programme decisions.

Q54 **Chris Law:** We do not know the date and we do not know the amount. Is that right?

Matthew Rycroft: £1.5 billion, which, as you say, is the UK's contribution through the EU into the aid budget, will continue after EU exit and will reduce in the years after that, eventually coming down to zero.

Q55 **Chris Law:** The reason I am asking that is because obviously there has been a discussion around this overseas development assistance, international action accord, EU development programmes and instruments, and also about EU external spending programmes. There are two questions. If this deal does not happen—what happens if that is not agreed, because we will be a third country? Secondly, how are you going to deal with this in the spending review? I should put these questions in reverse, actually.

Matthew Rycroft: On the spending review question, as I mentioned earlier, we have already spent a significant amount of time preparing for that but we have not begun the negotiation yet. We will make sure that all of these issues are properly dealt with in the negotiation, which we are now expecting at some point in 2019.

Nick Dyer: As you point out, there are two issues. One is the tail of existing commitments that will happen over the course of six to eight years. There is no clear date, because we do not know when the EU will disburse the money itself. We just have to fall in line with that.



HOUSE OF COMMONS

Q56 Chris Law: To stop you there, Nick, surely we must know what our plan is. If it is March 29 next year and we are saying we are going to have 100% of funds from that year into 2020, or at least for the transition, what is the exact breakdown with the years that are tapered? Do we know, or is that still to be discussed?

Nick Dyer: We can look at previous experience. We know that every EDF generally gets disbursed over about six to eight years. We know there will be a spending tail that will continue for a number of years under the withdrawal agreement, when it is agreed. There is then the question about whether there will be a future ODA relationship with the European Union. That will depend on a case-by-case negotiation. The Secretary of State has made it very clear to date that there are three areas where we think that the European Union has got a comparative advantage: migration, peace and security, and humanitarian aid. If, as Matthew said earlier, we feel that aid has good value for money in terms of the proposals on the table, that we have scrutiny oversight of that money, and that UK NGOs have that explicit access to the funding, we think there is a good basis for agreement and getting a deal. The actual details of that will come out in the discussions over the next two years.

Q57 Chris Law: Should these discussions go badly, or should we go out in a no-deal scenario and the EU will not accept either an accord or any other programme, there is obviously a risk that money will have to be spent at short notice, which may jeopardise value for money. What would you plan to do if that was the case?

Matthew Rycroft: There are all sorts of scenarios ahead for Brexit, and I can assure the Committee that we have done a significant amount of planning for the full range of those scenarios.

Q58 Chris Law: Does that include a no deal?

Matthew Rycroft: That includes for no deal, but there are so many versions even of no deal, and Ministers have not decided, were we to be in that scenario, what the priorities would be for mitigating that scenario. It is not possible to answer the question yet.

Q59 Chris Law: Should it be the case that there is no deal, and we suddenly abort out of the EU, with a situation where funding suddenly stops, does DFID accept that there will be programmes that will affect the most vulnerable in the world. We produce what percentage of EU funding? It is up to one-fifth. Is that correct?

Matthew Rycroft: It is about 12% overall. Everything would depend on the circumstances of the no deal.

Q60 Chris Law: There is a considerable risk of that, is there not?

Matthew Rycroft: Obviously there are some scenarios where there is a bigger impact than others but, rest assured, we have done and continue to do our scenario-planning to be ready for whatever it is that Ministers decide.



Q61 Chris Law: I do not want to drag the point too much, but taxpayers want to know what is happening with their money when it comes to helping the neediest in the world. There is a crisis situation where, if there a no-deal scenario, we are out of the EU and we are no longer supporting programmes, the people who need it most—the most vulnerable in the world—will find their funding being cut, and cut dramatically. Have you planned for that scenario?

Matthew Rycroft: We continue to plan for the scenario that the UK's commitment, which has been legislated for, is to spend 0.7% of our gross national income each year on official development assistance. There are lots of different ways of doing that. At the moment, we spent £1.5 billion out of the £14 billion of the aid budget through the European Union. In some versions of a no-deal scenario, we would not be spending all of it through the European Union. If the 0.7% commitment continued, we would spend it in other ways.

Q62 Chris Law: Let me put it another way. Has the EU planned, for the multilateral programmes that we are part of right now, for a situation where the money just stops as the result of a no-deal scenario?

Matthew Rycroft: You will have to ask the EU that. They will have their own communication about what plans they have or have not done for a no-deal Brexit.

Q63 Chair: In a moment, we will come to the SDGs. Let me just ask a question about how the Department frames the broader debate on development. The Aid Attitudes Tracker suggests that UK citizens see aid as being something that should be focused on poverty alleviation rather than the national interest, yet the aid strategy focuses much more on the national interest. Is it not time to reconsider that framing?

Matthew Rycroft: I do not think it is, actually. There is a vibrant debate in the Department, and I am very glad to be a part of that debate because it is a good one to have. Public opinion is complex in this area, and of course a lot depends on how you ask the question. A lot of people want to see aid being spent in the national interest. There are some people who are very sceptical that it is possible to spend effectively and in the national interest.

I do not share that scepticism. It is really important, within the Department, that we reframe the debate so that it is not a choice between ending poverty or pursuing the British national interest, but that everything that we do should be in pursuit of both of those things at once. That is true both at macro level and at micro level. At macro level, we should be able to define what we do not just in helping to end poverty, but also as being about our standing in the world—our own prosperity and our own security. It is a really important part of our identity, particularly as we leave the European Union, that we are a big development superpower.

Q64 Chair: Often they are in harmony but sometimes there will be a tension



between the two. I am very struck by the research I have seen that suggests that those of the public that are open to it—though you are right that there is a segment of the public that does not support it regardless—are more persuaded, in a sense, by the moral arguments than they are by the national interest arguments.

Matthew Rycroft: I very much agree with that. Among the supporters of aid spending are people who are really driven by the moral argument, which is a very strong one. There is also a group of people in the middle who are open to aid working; they just do not think it works. That is a much more pragmatic set of views.

Q65 **Chair:** I think you are right but I think their test of whether it works is still the test of whether it is helping the poorest people, rather than our national interest.

Matthew Rycroft: Absolutely. What we are seeking to do in relation to those people—it is our responsibility to engage with them and help explain what is happening with their taxes—is to give examples to bring home to them the power of effective aid spending around the world, and to use voices that are going to be trusted by them to do that. We are seeking to do this in a more holistic way.

Q66 **Lloyd Russell-Moyle:** First of all, thank you for the commitment to doing a voluntary national review, which was something that this Committee and its predecessors have been pushing. There is some positive progress there. However, in the past the Cabinet Office had co-ordinated some of the cross-governmental work on this. Our understanding is that DFID is now co-ordinating that as the lead Department for SDGs across Government. Lord Bates is the Minister, and he and the Minister for Implementation in the Cabinet Office are working together. Neither of them, of course, are Cabinet-level people and other Departments are not accountable to DFID—they are accountable to the Cabinet Office in their performance of the goals.

Can you just clarify what the role is of DFID and how we can ensure that it will not just be about a nice friendly note that is ignored from a fellow Department, but that you will have the ability to delve into other Departments on the UK's fulfilment of the SDGs, and not just the international fulfilment of the UK's aid in SDGs?

Matthew Rycroft: This is a subject close to my heart, as you can imagine, so I am delighted to answer those questions and indeed to give that assurance. First of all, thank you to the Committee for pushing to do the voluntary national review. I am very glad that we are doing it next July. Work is well under way and indeed we look forward to engaging with you on the content of that work as well as the fact that it is happening.

Who is doing what? The Department for International Development is responsible for the voluntary national review—at Cabinet level that means the Secretary of State for International Development. The



HOUSE OF COMMONS

Cabinet Office play a crucial role in co-ordinating the domestic implementation of the sustainable development goals, and DFID's role is in co-ordinating the voluntary national review itself, as well as leading the vast majority of our international engagement on helping other countries.

Q67 **Lloyd Russell-Moyle:** Will there be a cross-Government committee that Penny chairs? How will it work?

Matthew Rycroft: What is happening at the moment is very much at official level. Broadly speaking, without giving the game away about what our review will look like but I hope whetting your appetite, there will be a chapter for each of the goals, and each of the 17 chapters has a senior responsible owner. Most of those are, as you would expect, in a domestic Department such as Education, Health and so on. There are a couple that the Department for International Development will do.

That work is ongoing now, and although each chapter will mainly be about the domestic implementation, it will also have an international component. The whole thing will be put together. I do not think I could say yet whether that would come in under an official, a Minister or the Secretary of State, but we as DFID look forward to making that happen, working in very close co-ordination with the Cabinet Office.

At Permanent Secretary level, John Manzoni, the Permanent Secretary of the Cabinet Office, and I have written to colleagues and we are very well joined up. If any aspect of your questioning was probing whether there were cracks that things could fall between as between DFID and the Cabinet Office, let me reassure you that, so far at least, we are in a good place on this. I am pretty confident this has the right oomph behind it to make it something that the Committee can be proud to be part of next year.

Q68 **Lloyd Russell-Moyle:** Perfect. This is the first time we have done this. You and I were in the same room in New York when we agreed the VNR and HLPF processes. It is good that we are doing this but the advice is that we involve civil society and parliamentarians. I think that was the original intent when those clauses of the VNR, HLPF and the SDGs were agreed. It was that they would be involved before the drafting of the VNR and during the drafting as well—it would not just be: "This is the Government one. What do you think?"; it would be a collaborative approach, and parliamentarians were listed as one of those stakeholders.

It would be good if you could just go through, concretely, how you were planning to involve, not just at the end stage, but throughout the process, from the beginning, civil society stakeholders and also us as parliamentarians. I know Lord Bates has written to us with a bit more information about our side but, in civil society, have you engaged a group? How active is that group? Is it via Bond?

Matthew Rycroft: Let me first say that it is really great to hear that parliamentarians are interested in being involved with this. We are very interested in engaging with you as well and we will make sure that there



HOUSE OF COMMONS

are multiple opportunities through the drafting process. The timetable is actually quite fast upon us. We have already started the drafting of the different chapters. We will want to get some case studies out there so that people can comment on particular ideas, and there is a way of doing that through the voluntary national review website by 11 January 2019. We are going to have some roundtable events that will involve different stakeholders, including both civil society organisations and parliamentarians, in the new year. We then need to have collated our main messages by 17 May in order to fully report by 14 June. The High-level Political Forum itself is July 2019.

Q69 **Lloyd Russell-Moyle:** Let us put parliamentarians aside a bit. We will leverage ourselves in, whether you like it or not.

Matthew Rycroft: We are ready to be leveraged.

Q70 **Lloyd Russell-Moyle:** How are we making sure civil society, through the drafting of those chapters, so not just through a review at the end, is really being involved?

Matthew Rycroft: I am sure there are other ways that we can do this, but among the things that I am aware of, first there is the website. We are looking forward to them contributing to that. Secondly, there are the roundtables that I mentioned. We will do that. Thirdly, we have a whole range of engagements between the Department, Bond as a convener, and other civil society organisations. This is already a major component of those discussions. If there are other ideas, we look forward to having them. We want to encourage everyone to have a good say on this.

Q71 **Chair:** Can I clarify something? On the document you are referring to with the chapters, is that going to be published?

Matthew Rycroft: Yes. That will be published in July, at the High-level Political Forum, or possibly just before that.

Q72 **Lloyd Russell-Moyle:** I know in other countries they have engaged panels of different sectors—disabled people, women, young people—who have been able to write a section of the report in their own words, which the Government have then submitted, so it is not fettered by the Government but hopefully contributes to that picture. Is that something we will be able to commit to in our VNR?

Matthew Rycroft: Absolutely. When we actually present the VNR—again I will not give the whole game away—it will not just be Government voices. I will absolutely commit to that.

Lloyd Russell-Moyle: It does not have to be a surprise.

Q73 **Chair:** To go back to my question just now, this is a document for July but might a version of this document be published at an earlier stage for consultation?



HOUSE OF COMMONS

Matthew Rycroft: There will definitely be consultation. Whether that is on the basis of a published document or not, I am not sure I can answer that. We will write to you on that.

Chair: Could you write to me on that, because it would be very useful to know? Thank you very much indeed for your evidence today. We have covered a lot in an hour and 10 minutes. We are grateful for rejigging the timings around the parliamentary vote. Thank you very much.