

The Rt Hon Elizabeth Truss MP
Secretary of State for Foreign, Commonwealth and Development Affairs

6 July 2022

Dear Liz,

FCO – DFID merger

June 2022 marked two years since the Prime Minister announced that the Foreign and Commonwealth Office and the Department for International Development would be merged into a new department—the Foreign, Commonwealth and Development Office (FCDO). The International Relations and Defence Committee felt that this was an appropriate moment to conduct a short inquiry into the success of the merger to date.

We are grateful to our witnesses—Stephanie Draper, Chief Executive at Bond; Simon Starling, Director of Policy and Advocacy at Bond; Lord McDonald of Salford; Bronwen Maddox, Director of the Institute of Government; Sir Philip Barton, the Permanent Under-Secretary at the FCDO; and Juliet Chua, Director General Corporate, Finance and Transformation at the FCDO—for their time and expertise in helping us to assess this matter.

Our evidence sessions uncovered several themes, which we have outlined below. We hope that these reflections and recommendations prove useful as you take the new Foreign, Commonwealth and Development Office forward.

Transparency

Witnesses told us that the Department for International Development (DFID) has always had a reputation of accountability and transparency, which was reflected in the opinions of independent watchdogs and the International Aid Transparency Initiative transparency system.¹

However, we heard that the merger, in combination with the contemporaneous cut in Official Development Assistance (ODA) from 0.7% to 0.5% GNI, has resulted in the perception, at least, that the new department is less transparent than DFID.

For example, we heard that after the merger and announcement of cuts to ODA, organisations were left uncertain about the scale of the cuts to their programmes. Stephanie Draper told us that: “In the last round of cuts, we had very little information and transparency has been very low”, and that “it is still not clear where the money is being spent.”²

¹ [Q 9](#) (Simon Starling)

² [Q 3](#) (Stephanie Draper)

We welcome the FCDO's plans to publish its annual accounts before the summer recess and hope they will include the forward ODA allocations. This will be a vital first step in ensuring the FCDO is as transparent as the former Department for International Development.

Senior leadership

The Committee was interested in the recent announcement that a new senior leadership post in the FCDO (Second Permanent Under-Secretary) was being created. When asked about this, the Permanent Under-Secretary told us that this was not a consequence of challenges related to the merger but was “mostly the result of the Foreign Secretary and I concluding that Russia's invasion of Ukraine had very significantly changed what we needed to do as a department going forward”.³ The decision was announced on 21 March, less than a month after Russia's military invasion.

We were surprised that such a significant reorganisation of the work of the department was made in such a short timeframe and in response to a specific, albeit significant, event. We would like to hear more about the reorganisation, including when it was first suggested, the rationale behind it, and the extent to which the handling of the Afghanistan withdrawal (which drew considerable criticism onto FCDO officials) precipitated this change.

Staff turnover

The Permanent Under-Secretary and Ms Chua told us that in terms of numbers, staff turnover in the FCDO is broadly stable and comparable to previous years. Still, the Committee was concerned by evidence from other witnesses suggesting that the merger has accelerated a “brain drain” of development experts from the new department.⁴ We heard that this may in part be due to an ongoing “culture clash” between the approaches of the FCO and DFID, with Bronwen Maddox noting that, anecdotally, “you hear a lot...that the DFID people are not convinced that this is a place for them”.⁵

Stephanie Draper told us that, according to Devex figures, more than 200 former DFID staff have left since the merger.⁶ This figure does not match that provided by Ms Chua, who told us that of over 1,000 staff in 13 different development specialisms 113 of them left between April 2021 and March 2022.⁷ We would therefore be grateful if, in your response, you could provide more detail on where, in terms of specific areas of expertise, the FCDO has experienced the biggest exodus of employees since the merger, and the extent to which this can be attributed to the merger, ODA cuts, or other factors.

Ministerial responsibilities

The high turnover of Ministers in the FCO (and now the FCDO), and the breadth of their portfolios, has been an ongoing concern of the Committee. You may recall one of the conclusions of our report into the UK and Sub-Saharan Africa: “For over two decades there has been too high a turnover in the role of Minister for Africa. In order to build and maintain

³ [Q 24](#) (Sir Philip Barton)

⁴ [Q 2](#) (Stephanie Draper)

⁵ [Q 12](#) (Bronwen Maddox)

⁶ [Q 2](#) (Stephanie Draper)

⁷ [Q 26](#) (Juliet Chua)

relationships in the region, greater continuity is needed”.⁸ Disappointingly, since that inquiry was launched in July 2019, there have been three different Ministers for Africa. Further, in the last year, there have been three Ministers for Europe and three Ministers for the Middle East.

We would like to reiterate our call that more stability is needed in ministerial posts. It becomes impossible for Ministers to get to know those countries within their portfolio, which impacts the UK’s foreign policy. It also sends out the unfortunate message that the UK is less interested in maintaining relationships with some regions, which runs counter to the Government’s own ‘Global Britain’ vision.

The Committee is also concerned with the lack of status afforded to the Minister charged with development (it appearing as just one of several areas of their portfolio). Stephanie Draper told us that the organisations she represents “really suffer from not having a Cabinet-level Minister for international development”.⁹ While we understand that, as outlined by the Permanent Under-Secretary, “ministerial appointments are a matter for the Prime Minister”,¹⁰ one way to raise the profile and influence of this Minister would be to give this Minister a seat on the National Security Council. We would be grateful for your views on the feasibility of this.

Other

We would be grateful if you could provide us, in your response to this letter, with answers to three other sets of questions raised by members of the Committee during the session with the Permanent Under-Secretary.

- On IT issues: The Permanent Under-Secretary told us that the Department is currently “rolling out a single IT platform to make sure that we all have the same IT”.¹¹ The Committee finds it surprising that IT issues still have not been resolved two years since the merger. The Committee wishes to know when the roll out will be completed and the new IT system fully functional.
- On funds still provided to the EU: What is the scale of the UK’s ongoing financial contribution to the EU programmes? How is this money allocated (which programmes is the UK still subscribed to) and what are the figures? When is this set to stop, and how will these funds be re-allocated once they do not have to be sent to the EU?
- On withdrawal from Afghanistan: What is the current set-up of the relocation scheme for Afghans? How many people have been evacuated so far? How many people are still in Afghanistan and are eligible to be re-allocated to the UK?

We would be grateful for a response to this letter by the end of Wednesday 20 July. The Committee will study your response with care and great interest.

⁸ Select Committee on International Relations and Defence, ‘The UK and Sub-Saharan Africa: prosperity, peace and development’, [Paragraph 37](#)

⁹ [Q 4](#) (Stephanie Draper)

¹⁰ [Q 25](#) (Sir Philip Barton)

¹¹ [Q 23](#) (Sir Philip Barton)

Yours, as ever

A handwritten signature in cursive script, appearing to read "Jayce". The signature is written in a dark ink and is positioned below the text "Yours, as ever".

Baroness Anelay of St Johns
Chair, International Relations and Defence Committee