



Foreign, Commonwealth & Development Office

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Rt Hon Alicia Kearns MP
Chair, Foreign Affairs Select Committee
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13 November 2023

Dear Alicia,

QUARTERLY CORPORATE UPDATE: AUGUST – OCTOBER 2023

This fourth quarterly corporate update to the Committee covers developments at the FCDO from August-October 2023.

Summary

October has been dominated by our response to Hamas' terrorist attack in southern Israel, where our top-level priorities are: to support all British Nationals and hostages; ensuring the safety of our staff and their dependents; backing Israel in defending itself; alleviating civilian suffering in Gaza; and preventing regional escalation.

The crisis has further tested our agile working model which had already incorporated learning from the fall of Kabul, Russia's invasion of Ukraine and our response to the crisis in Sudan. Our staffing of the Russia/Ukraine response has remained in place and has not been affected by this latest crisis response.

As well as supporting critical crisis activities, our corporate teams have had a busy quarter, with key developments including: starting work on a new corporate vision and strategy; further alignment of HR policies; the completion of the Washington Residence and Embassy; and publication of the Final UK Aid Spend 2022.

Detail

ISRAEL AND THE OCCUPIED PALESTINIAN TERRITORIES (OPTs)

We supported the assisted departure of nearly 1,000 UK eligible persons from Israel and continue to offer consular assistance to people trying to get back to the UK from the region. The Rafah border crossing was opened on 1 November to foreign

nationals, and, at the time of writing, we continue to help eligible persons to cross into Egypt and provide ongoing consular support to British nationals.

The safety and wellbeing of staff involved in the crisis is at the forefront of my mind. Corporate teams continue to work hard in support of this response: HR Directorate are leading on safety and wellbeing support to staff and dependants who have been drawn down from Baghdad, Beirut, Tehran, Tel Aviv and Jerusalem; HR hubs in the region are supporting CBS colleagues, including the three CBS colleagues and their dependants who were based in Gaza and have now safely crossed into Egypt. Our Crisis and Surge Team have identified and mobilised staff for the crisis response. Additionally, we have deployed extra Overseas Security Advisers to affected Posts and are keeping a close eye on the security of our missions across the region.

APPLYING LESSONS FROM AFGHANISTAN

Our response to the current crisis is being guided by the lessons learned from Afghanistan, as have other recent crisis responses. For example, an expanded contingency planning capability enabled the development of detailed consular and crisis management plans, ahead of Russia's invasion of Ukraine. We have taken a similar approach with the assisted departures from Tel Aviv and wider contingency planning for the Occupied Palestinian Territories and Lebanon. Improved systems and procedures - that helped to ensure we could readily respond to events in Sudan, while simultaneously helping to deliver the Coronation - are in place to deliver the Israel and OPT crisis response.

Organisational Improvement Directorate (OID) continue to oversee implementation of lessons learned from Afghanistan. In parallel, they are establishing a new FCDO Enduring Lesson Learning function. This new function will focus on commonalities across lessons learned, building a holistic view of progress in implementation, and make recommendations for future prioritisation. OID will update the Audit Risk and Assurance Committee on this later in November.

AGILE WORKING

Our evolving agility model has been tested in response to the ongoing crisis in Israel and the OPTs. On 10 October, I activated the crisis response mechanism allowing staff trained in crisis response from across the organisation to begin working in our well-defined crisis response structures, with staff providing 24/7 cover. Rapid deployment teams of consular staff, together with British Red Cross Responders, were deployed to the region to support British nationals. Other staff have been deployed to provide wider resilience, including at leadership levels.

This workforce agility allowed us to deliver our priorities for an initial critical six-week period, without impacting on our other top priorities. We are now moving towards a medium-term augmented structure to manage the ongoing events in Israel and the OPTs, including careful planning to mitigate any impact of this shift on our priorities. Going forward, our agility model will continue to include a quarterly Executive Committee (ExCo) discussion on priorities and planning to maintain our flexibility to respond to future scenarios.

The focus for the next quarter will be to reflect on our experiences of implementing the agility model, both in terms of planning and responding to events, into refreshed guidance for leaders and risk owners across our UK and overseas network. We will also begin to elaborate the people-focused aspects of agility to ensure that individual members of staff feel encouraged and supported to refocus or redeploy as situations demand.

ORGANISATIONAL IMPROVEMENT

Three months after OID's creation, the October Management Board reviewed progress across its portfolio of activities. The Board welcomed progress so far, in particular OID's role in driving delivery of the biggest and most complex corporate and other improvement initiatives. The Board also welcomed the establishment of a new Delivery Board within DG Finance and Corporate which will oversee and support delivery. The Board agreed that work should begin on a new Corporate Vision and Strategy to support future planning and prioritisation.

CORPORATE UPDATES

Alongside responding to the current crisis, we have been delivering a full corporate agenda. In October, ExCo reviewed and agreed the FCDO's priority deliverables for the coming period and assessed workforce pressures in delivering those priorities. This was coupled with a workforce budget review to assess the affordability of resourcing those pressures, and to ensure the FCDO remains within its overall workforce budget allocation.

Also in October, the Management Board scrutinised progress against the 2023/24 Outcome Delivery Plan. In October, Finance Directorate commissioned the first regular 6-month review of business and country plans to monitor progress, manage risks and ensure plans remain aligned with FCDO and HMG priorities, while adapting to changing contexts or taking on lessons learnt.

We now have a single set of HR policies representing a modern and comprehensive offer to our staff in the UK. This includes (i) a single pay structure for UK-Based Staff, (ii) alignment of the London Allowance, (iii) a Country-Based Staff pay award for 2022/23 that empowers Heads of Mission to take account of their local labour markets and align pay structures, (iv) a single performance management system, and (v) a single process for booking and undertaking travel. We are developing proposals to modernize our overseas employment framework and aim to agree changes with HMT by the end of this financial year.

ExCo has agreed a new capability framework and the Management Board has re-committed to having joint headquarters in London and Scotland under the Places for Growth agenda. This supports our workforce agility model of having the right people with the right skills in the right place. We also have our office located at Hanslope Park, near Milton Keynes.

A number of high-profile Estates projects are broadly complete, including the refurbished Washington Residence and the Washington Embassy. Staff will begin moving into the brand-new Ottawa High Commission - the 'greenest' new building in our global portfolio - before the end of November. In the next reporting period, the

Management Board will review our Estates, Maintenance and Sustainability strategies. We will review progress made on our Sustainability Action Plan 2021-2025 and the targets for reducing carbon emissions. Our security policies are being refreshed and we are about to launch a project to make our security culture more inclusive.

Moving on to Finance, the SR and ODA budgets, the FCDO continues to monitor UK ODA expenditure to ensure HMG meets its commitment to spend 0.5% GNI plus £2.5bn on ODA in 2022 and 2023 as announced in the 2022 Autumn Statement. The annual 'Statistics on International Development, final UK aid spend 2022', was published in September. The 2022 ODA spend was £12,795 million, an increase of £1,373 million (12%) on 2021. Of this, the FCDO spent £7,635 million on ODA in 2022, compared with £8,175 million in 2021 (a decrease of £540m). The FCDO's share of total UK ODA stood at 59.7% in 2022, a decrease from 71.6% in 2021.

On innovation, technology and data, our IT will be faster, more flexible, secure and reliable following the distribution of Osprey (the new IT platform) devices, which is underway. Last month, we started year-long upgrade programmes for our global wired (ECHO 2) and wireless (GovWifi) networks.

The Foreign Secretary and I look forward to updating you further at our next FAC appearance.

I am copying this letter to the International Development Committee and the International Relations and Defence Committee.

*Yours sincerely,
Philip Barton*

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