



House of Commons
International Development
Committee

**UK aid: allocation of
resources**

Seventh Report of Session 2016–17

*Report, together with formal minutes
relating to the Report*

*Ordered by the House of Commons to be
printed 21 March 2017*

The International Development Committee

The International Development Committee is appointed by the House of Commons to examine the expenditure, administration and policy of the Department for International Development and its associated public bodies.

Current membership

[Stephen Twigg MP](#) (*Labour (Co-op), Liverpool, West Derby*) (Chair)

[Fiona Bruce MP](#) (*Conservative, Congleton*)

[Dr Lisa Cameron MP](#) (*Scottish National Party, East Kilbride, Strathaven and Lesmahagow*)

[Stephen Doughty MP](#) (*Labour (Co-op), Cardiff South and Penarth*)

[Mr Nigel Evans MP](#) (*Conservative, Ribble Valley*)

[Pauline Latham OBE MP](#) (*Conservative, Mid Derbyshire*)

[Jeremy Lefroy MP](#) (*Conservative, Stafford*)

[Mr Ivan Lewis MP](#) (*Labour, Bury South*)

[Wendy Morton MP](#) (*Conservative, Aldridge-Brownhills*)

[Paul Scully MP](#) (*Conservative, Sutton and Cheam*)

[Mr Virendra Sharma MP](#) (*Labour, Ealing Southall*)

The following Members were also members of the Committee during the Parliament:

[Mrs Helen Grant](#) (*Conservative, Maidstone and The Weald*)

[Fabian Hamilton](#) (*Labour, Leeds North East*)

[Albert Owen MP](#) (*Labour, Ynys Môn*)

Powers

The Committee is one of the departmental select committees, the powers of which are set out in House of Commons Standing Orders, principally in SO No. 152. These are available on the internet via www.parliament.uk.

Publication

Committee reports are published on the [Committee's website](#) and in print by Order of the House. Evidence relating to this Report is published on the relevant [inquiry page](#) of the Committee's website.

Committee staff

The current staff of the Committee are Sarah Hartwell-Naguib (Clerk), Daniel Whitford (Second Clerk), Steven Ayres, Rachael Cox and Louise Whitley (Committee Specialists), Zac Mead (Senior Committee Assistant), Rowena Macdonald (Committee Assistant), Paul Hampson (Committee Support Assistant), Estelle Currie (Media Officer) and Simon Horswell (Media Officer).

Contacts

All correspondence should be addressed to the Clerk of the International Development Committee, House of Commons, London SW1A 0AA. The telephone number for general enquiries is 020 7219 1223; the Committee's email address is indcom@parliament.uk.

Contents

Summary	3
1 Introduction	7
2 The UK development landscape	10
The 0.7% target	10
DFID and other government departments	14
Other issues of allocation	16
Reputational risk management	18
3 The development reviews	21
A comprehensive review of UK aid	21
Delays to the development reviews	21
Coherence between the reviews	22
The Research Review	23
Bilateral Development Review (BDR)	24
Multilateral Development Review (MDR)	26
Civil Society Partnership Review (CSPR)	29
Programme Partnership Arrangements (PPAs)	31
4 The direction of UK aid	35
DFID's strategic direction	35
The UK aid strategy	35
DFID's approach from late 2016	35
Other issues of strategy	37
DFID's capacity	38
Operational strategy	38
Administrative capacity	40
Allocation of ODA across Government	41
Conclusions and recommendations	43
Formal Minutes	49
Witnesses	50
Published written evidence	51
List of Reports from the Committee during the current Parliament	53

Summary

The domestic and global landscapes have shifted dramatically over the last two years. Against this backdrop the Government has been reviewing and altering the make-up of UK aid spending, including carrying out a number of major development reviews to inform future spending decisions. In this inquiry we have looked at how the Department for International Development (DFID) decides where to allocate its resources, including the results of the development reviews. We published an interim Report in March 2016 to deal with a number of issues at the earliest possible opportunity. We follow up on some of these in this Report.

Both major political parties in the UK pledged to hit a target of spending 0.7% of gross national income as official development assistance (ODA) in their 2010 manifestos. The UK achieved this target in 2013, and it was subsequently enshrined into law in 2015. Through our inquiries, we have seen first-hand that ODA spending is in the national interest and is a strong investment contributing to create a more prosperous world, which pays far-reaching dividends including to UK taxpayers at home. We have also seen the great need for development assistance globally and the life changing opportunities it provides, including in a number of ongoing abject humanitarian crises. **We agree with our predecessor committee in supporting the 0.7% commitment, as we have no doubt that there is sufficient need in the world for it to be necessary. The examples we have seen of less effective spending do not represent a considerable portion of, nor are they an inevitable consequence of, the 0.7% target. We have not seen evidence that poor or wasteful spending is any more of a problem for DFID than any other government department or other international donors; instead we would assess it to be effective in its spending. The response to many criticisms of aid spending is for DFID to continue to strive to spend better, not for it to spend less. We challenge the Secretary of State to lead the Department in a way which displays the value for money and great impact of good UK aid spending.**

DFID was established as a separate department in 1997, with primary responsibility for spending ODA. The Conservative Party manifesto in 2015 included a pledge to maintain it as an independent department, although questions continue to be raised about whether it should be rolled back into the Foreign and Commonwealth Office. Our predecessor Committee looked at the possible models and concluded that DFID should remain an independent department, to avoid “marginalising development” and “losing technical development expertise”. We continue to have concerns about the capacity and capability of departments other than DFID, including the Foreign and Commonwealth Office, to effectively deliver aid, in contrast to a specialised department like DFID, and about the transparency and accountability of those departments. **We do not believe that abolishing DFID as an independent department would lead to any improvement in the quality of UK aid spending and therefore strongly welcome the Secretary of State’s commitment to maintaining DFID as an independent department, and expect this to remain so in the long-term future.**

In our interim Report, we looked at the issues of the strict rules and targets surrounding budget support, ‘non-fiscal’ spending, and Payment by Results. **We conclude that DFID works best when it works flexibly, and these strict rules and targets can be**

damaging to effective development and can lead to perverse outcomes. While DFID may assess all of these targets and rules to be correct right now, it should keep them under constant review and be willing to relax them when appropriate, in order to have the flexibility required to spend effectively.

DFID is currently operating in an environment of intense media scrutiny and criticism. At times this media scrutiny has been very helpful in uncovering serious issues in UK aid spending, although we have found much of it to be misleading about the nature of aid spending or about the contents of our own Reports. **We will continue to fulfil our responsibility for the robust scrutiny of aid and development expenditure, including cases brought to our attention in evidence and media coverage. The media has a responsibility to be accurate and contextual given its role in influencing public understanding and opinion.**

We are concerned with DFID's management of its reputational risk. We note that programmes occasionally appear to be closed based on negative media headlines, despite performing well in DFID's own assessments, and without a proper review of the programmes being undertaken. **While there has been some improvement, we still do not believe that DFID is robust in its communications and managing reputational risk. We urge DFID to continue improving its communications and to be more proactive in publicising when it is doing good work. DFID's decisions as to the allocation of resources should be based on evidence rather than media coverage. We recommend that DFID produces clear guidance on how to manage reputational risk, the level of its reputational risk appetite, and how to respond to reputational risk issues in the aid budget across the Government.**

DFID has conducted a full reviews of its bilateral and multilateral spending through the development reviews, including the Bilateral Development Review (BDR), Multilateral Development Review (MDR), the Civil Society Partnership Review (CSPR), and the Research Review. These were originally due to be published in late 2015 and early 2016, but were heavily delayed and were eventually only published in late 2016. **The numerous delays to the development reviews have undoubtedly had grave effects on a number of organisations and, we fear, on the quality of some programming. The low level of detail in the reviews does not justify such substantial delays.**

Due to the process of carrying out the development reviews together, they all went through a 'coherence phase' centrally in DFID. The purpose of this phase was to reconcile the reviews and DFID's overarching strategy with the lower-level and more specific assessments which had been made in the reviews. **Despite this, we are concerned that, in the development reviews, DFID has not displayed whether it is thinking strategically in terms of allocations between bilateral and multilateral budgets. We strongly reiterate our previous recommendation that we need much more detail from DFID as to how it strategically sets the balance between bilateral and multilateral spending.**

As a strategy for its bilateral work, the BDR is largely lacking in detail. Very little of the information in the BDR is new and it gives very little hint of how DFID will be allocating its bilateral resources. **The lack of detail in the Bilateral Development Review is disappointing. Even where DFID has committed to specific actions, it**

is unclear how it plans to take this forward. *DFID should publish as many of its new country operational plans, country poverty reduction diagnostics, and inclusive growth diagnostics as possible for its country programmes by the start of the summer parliamentary recess.*

While the MDR provides more detail of its methodology and results than the BDR, it still does not provide clear detail of how and why DFID chooses to use multilaterals or what effects the results of the review will have on funding. DFID has indicated that it will increasingly use Performance Agreements with multilaterals to achieve change, improvement and value for money. **We welcome the improvements that have been made to the multilateral review process after the 2011 Multilateral Aid Review but are not convinced that DFID is strategic in how it decides which multilaterals to use and how. The use of Performance Agreements has the great potential to drive improvements, but need to be used carefully so as not to impose practices like Payment by Results, which might create perverse outcomes, on multilateral agencies.**

The CSPR's length and its level of detail are both very disappointing, and particularly surprising given the numerous delays to its publication. This has made analysing whether or not its findings and outcomes are positive a challenging task. Some of the statements in the CSPR, especially around supporting smaller CSOs and CSOs based in developing countries, are welcome but need to be turned into practical and detailed proposals. **We welcome DFID's announcement of a Small Charities Challenge Fund, following previous recommendations by this Committee.** We were particularly surprised at the lack of any mention of the Sustainable Development Goals in the CSPR; this was a serious omission. **It is important for DFID to take the CSPR forward into its day-to-day relationship with civil society and avoid allowing that relationship to become one of a consumer and suppliers.**

While not explicitly laid out in the CSPR, one of the largest changes for CSOs coinciding with the review was the abolition of Programme Partnership Arrangements (PPAs), which provided unrestricted core funding to civil society organisations (CSOs) for three years at a time. Despite DFID's claim that it gave CSOs a lot of notice of this change, there was plenty of uncertainty around the future of PPAs, and whether they would be replaced with a new mechanisms for unrestricted core funding, for some time. We have not been reassured that DFID gave proper support to CSOs during this period of uncertainty nor have we been given a clear rationale for why DFID has chosen to end PPAs. **PPAs were strategic, flexible and encouraged innovation; there is plenty of evidence of their effectiveness including a positive ICAI review. The loss of PPAs is likely to stifle innovation and it is of the utmost importance that DFID's other funding streams, whilst maintaining accountability, are able to cover the sorts of activities which PPAs allowed and encouraged. DFID must provide a clear and detailed explanation of why it feels that unrestricted core funding, and PPAs more specifically, is no longer an effective means of development.**

The 2015 UK aid strategy refocused UK aid onto "tackling global challenges in the national interest". We noted in our interim Report that the strategy appeared to relegate poverty reduction to the last of four priorities. **We strongly reiterate our recommendation that poverty reduction should always be the primary purpose of any UK aid spending.** We have detected a shift in UK development strategy the appointment

of Rt Hon Priti Patel MP as Secretary of State for International Development, with a greater focus on wasteful spending. **While we commend and support the Secretary of State's focus on improving the quality of spending, we think that the level of wasteful spending in the Department is minimal.** Following the EU referendum, DFID has changed its tone on the relationship between the aid budget and trade. **We welcome a strong focus on economic development from DFID, which is an important aspect of a comprehensive approach to poverty reduction, but it is important that UK aid continues to be completely untied, whether explicitly or implicitly.**

We have become increasingly concerned about the lack of emphasis on strategy within DFID at an operational level. ***We urge DFID to set a clear strategic direction in all of its policy areas based on its evidence on what works and its objectives in that policy area.*** We are further concerned that DFID's own capacity could be affecting the effectiveness of UK aid. The number of DFID staff has not kept pace with increases in its budget to achieve the 0.7% target. ***DFID's administrative capacity appears to have fallen below what is required to manage its increasing budget optimally, causing it to become more reliant on larger external organisations. DFID would be more effective if it rebalanced its budget more towards administration. We recommend that DFID spends more of its budget on its own administration and increases its staffing capacity.*** The allocation of ODA between different departments was done through a competitive process run by the Treasury. The results of the competitive process have not been made clear and details of spend by other government departments are only made clearly available retrospectively. It is therefore difficult to conclude whether there is proper strategic oversight of all UK ODA spending and on whether it is being allocated most effectively. We will look at these issues further in our inquiry into *UK aid: other government departments*. ***In order to ensure coherence across UK aid spending, and a focus on poverty reduction, DFID should have a formal oversight and coordination role for of all UK aid spending.***

1 Introduction

1. The domestic and global landscapes have shifted dramatically over the last two years. In the UK, the result of the referendum on the European Union has led to a change in the focus of Government policy towards building a strong and prosperous country post-withdrawal. The Government reshuffle which followed that referendum also included the appointment of a new Secretary of State for International Development, and a new junior ministerial team at the Department for International Development (DFID). More widely, the continuation of conflicts in countries like Syria and Yemen, as well as conflict and food insecurity in many parts of Africa, have led to serious humanitarian crises and the largest refugee flows since World War II. The election of President Donald Trump in the USA has also created uncertainty about how the largest donor country in the world will choose to engage with the development agenda. These shifts will undoubtedly have a profound impact upon international development, including on where and how resources are focused to achieve the greatest effect.

2. Against this backdrop the Government has been reviewing and altering the make-up of UK aid spending. In 2015, an Act was passed which created a statutory requirement for the UK to spend at least 0.7% of its gross national income on official development assistance (ODA), a target which the UK had first met in 2013.¹ Later in 2015, a new UK aid strategy refocused UK aid spending onto how it benefits the national interest, with a larger proportion to be spent by government departments other than DFID.² Alongside this, DFID was running a number of major development reviews, which were eventually published in late 2016 after numerous delays. This included the Bilateral Development Review (BDR),³ the Multilateral Development Review (MDR),⁴ the Civil Society Partnership Review (CSPR),⁵ and the Research Review.⁶ Together, these reviews were intended to inform future UK aid spending decisions.

3. We originally launched this inquiry, as *DFID's allocation of resources*, in late 2015 to look at how DFID decides where to allocate its resources including the results of the development reviews, with the following terms of references:

- What is the right definition of 'fragile states'? What are the implications in defining fragility for DFID's decisions on where it works and how? For instance, how effective is the balance of spending through multilateral (60%) and bilateral partners (40%)?
- What is the capacity of DFID and its partners to scale up in fragile states?
- What choices and challenges does DFID face in determining where it will work in the future and what should inform those decisions?

1 [International Development \(Official Development Assistance Target\) Act 2015](#)

2 HM Treasury and Department for International Development, *UK aid: tackling global challenges in the national interest*, Cm 9163, November 2015

3 Department for International Development, [Rising to the challenge of ending poverty: the Bilateral Development Review 2016](#), December 2016

4 Department for International Development, [Raising the standard: the Multilateral Development Review 2016](#), December 2016

5 Department for International Development, [Civil Society Partnership Review](#), November 2016

6 Department for International Development, [DFID Research Review](#), October 2016

- What is DFID's capacity to deliver on both existing commitments and refocused priorities:
 - What are the implications of the security and prosperity agenda for delivery of the other Sustainable Development Goals and work to tackle extreme poverty both in the shorter and longer term?
 - What does DFID need to do to improve on past performance in the following areas?
 - a) Security; and
 - b) Economic development.
- What are the challenges ahead for ensuring effective design, delivery and accountability of ODA spend by other Government departments through cross-Government funds such as the CSSF and the new Prosperity Fund? What role can DFID play in ensuring value for money in all ODA spending? What is the responsibility of other Government departments to comply with DFID's objective to reduce poverty?
- How effectively has DFID managed its operating costs and what are the implications of the new aid strategy for operating costs both centrally and in country offices?
- What are the challenges of meeting Treasury non-fiscal spending⁷ requirements and will these be affected by the new aid strategy?
- How has 'payment by results' worked for DFID in the past (eg. 2014–15) and what are the implications of extending this approach as implied in the aid strategy?
- How effective is DFID's approach to managing risk and how could or should this change to reflect new priorities under the aid strategy?
- How has DFID performed on the targets and indicators it had in place to March 2015? How should targets and indicators be altered to reflect delivery against Government manifesto commitments and the priorities of the new aid strategy?

4. The length of this inquiry has meant that it has evolved with new developments. The release of the UK aid strategy, and the increase in cross-government aid spending, led us to broaden the inquiry to look at UK aid spending decisions more generally and change its name to *UK aid: allocation of resources*. Media coverage of DFID's use of private sector contractors led to us calling for further written evidence on this and taking oral evidence on it; that evidence raised further questions which we are now exploring as part of a separate inquiry on *DFID's use of contractors*,⁸ and will not cover in this Report. We have also begun a separate inquiry to look at the work of other government departments spending ODA, entitled *UK aid: other government departments*.⁹

7 Spending such as loans, equity investments and contributions to multilateral development banks, which do not impact net public sector debt.

8 International Development Committee, '[DFID's use of contractors inquiry](#)', accessed 24 February 2017

9 International Development Committee, '[UK aid: other government departments inquiry](#)', accessed 24 February 2017

5. We decided to publish an interim Report¹⁰ to deal with a number of issues at the earliest possible opportunity because of delays to the publication of the development reviews, which we were initially expecting in early 2016. In that interim Report, we particularly looked at the UK aid strategy. Primarily, we recommended that:

- poverty reduction should be a legal obligation for the spending of ODA, regardless of which department is spending it; and
- DFID should provide us with more information as to the various factors and criteria used in its spending decisions, including on its definition of fragility and the balance between its multilateral and bilateral spending.

10 International Development Committee, Third Report of Session 2015–16, [UK aid: allocation of resources: interim report](#), HC 927, incorporating HC 533

2 The UK development landscape

The 0.7% target

6. The idea that donors should give 0.7% of their gross national income (GNI) in official development assistance (ODA) comes from the report of the Pearson Commission on International Development in 1969,¹¹ which was set up by the World Bank to look at the effectiveness of the World Bank's development assistance. It proposed that ODA "be raised to 0.70% of donor GNP [gross national product] by 1975, and in no case later than 1980". The idea behind this target was that, if all donors were to provide this amount, the need for development assistance would soon cease as recipients would be able to become self-sufficient. The Commission was also clear, though, that what it was calling for was not just more aid, but also better aid.

7. In 1970, the United Nations General Assembly signed up to the target, although progress towards it since has been slow. Among members of the OECD Development Assistance Committee (DAC), while Sweden, the Netherlands, Norway and Denmark all reached the target by 1980 and continue to do so,¹² only Luxembourg (in 2000) and the UK have since joined that group.¹³ Both major political parties in the UK pledged to hit the 0.7% target in their 2010 manifestos. The target was reached by the UK in 2013, and subsequently enshrined into law through a private member's bill—the International Development (Official Development Assistance Target) Bill 2015.¹⁴

8. The 2015 UK aid strategy sought to demonstrate how ODA spending is in the UK's national interest.¹⁵ Through our inquiries in this Parliament, we have seen first-hand that this is true. We have seen how UK aid spending has allowed refugees fleeing the war in Syria to settle closer to home, so that they did not have to make the dangerous journey to Europe and the UK.¹⁶ We have seen how UK leadership in Sierra Leone kept the Ebola outbreak contained, preventing it from spreading to neighbouring countries and becoming a global crisis, while saving countless lives.¹⁷ We have seen how UK support to address the drivers of conflict in northern Nigeria, including addressing issues relating to employment and empowerment, is countering radicalisation and allowing the region to stabilise in the context of Boko Haram terrorism.¹⁸

9. After the vote to leave the European Union, UK aid and DFID's expertise can also play an important role in giving the UK a global leadership role, and allowing the UK to build strong and mutually beneficial partnerships with other countries. Former Secretary of State for International Development Rt Hon Andrew Mitchell MP told us that "Britain has huge moral authority because we have stuck to our promise of providing 0.7% of our

11 *"Partners in development"*, The UNESCO Courier, February 1970

12 Apart from the Netherlands which has occasionally fallen below the target.

13 The United Arab Emirates also consistently hits the 0.7% target, but is currently only a DAC Participant, not a member.

14 [International Development \(Official Development Assistance Target\) Act 2015](#)

15 HM Treasury and Department for International Development, *UK aid: tackling global challenges in the national interest*, Cm 9163, November 2015

16 International Development Committee, First Report of Session 2015–16, *Syrian refugee crisis*, HC 463

17 International Development Committee, Second Report of Session 2015–16, *Ebola: Responses to a public health emergency*, HC 338

18 International Development Committee, Second Report of Session 2016–17, *DFID's programme in Nigeria*, HC 110

gross national income on development. [...] That gives us very substantial ability to exert moral and practical pressure on the way in which the system develops.”¹⁹ Former Prime Minister Rt Hon Gordon Brown told us that:

You have to have a consistent policy on aid, which lasts across Governments, which is long term and not short term, and therefore I think the target is an important way of recognising how central overseas aid is to the success of anti-poverty policies around the world, but to the success of our objectives in international relations. [...] Aid has to be understood in the context of an interdependent world, where if we do not help each other and help ourselves deal with some of the problems we all face together, then we ourselves in Britain will face greater pressures as a result.²⁰

Through our work as a Committee we have seen that UK aid spending can be, and often is, a strong investment contributing to create a more prosperous world, which pays far-reaching dividends including to UK taxpayers at home.

10. As well as seeing the benefits, including domestically, of ODA, we are well aware of the criticisms. The 0.7% target has come under heavy fire in recent months. This stems in part from the perceived unfairness of protecting the aid budget, while other domestic budgets are being cut. A petition created by The Mail on Sunday on the parliamentary petitions website gathered 235,979 signatures leading to a debate in Westminster Hall. The petition argued that “Despite spending cuts at home the Government is committed to hand over 0.7% of national income in overseas aid, regardless of need.”²¹ The subsequent Westminster Hall debate was broadly supportive of the 0.7% target, with the majority of participating MPs speaking in favour of it.²²

11. There has also been criticism that the 0.7% target has unintended consequences. ODA flows are reported for the calendar year, while departmental budgets are allocated by the financial year. In addition, reliable estimates of GNI can only be reached after the end of the year. This can make planning more difficult, and it has been alleged, such as by the journalist Ian Birrell, that there is pressure for the UK to “simply shovel cash out the door” at the end of each calendar year to meet the target.²³ In turn, it is alleged that this leads to prioritising the amount spent rather than effectiveness and the result achieved, leading to wasteful spending.²⁴

19 Oral evidence taken on 14 March 2016, HC (2015–16) [675](#), Q65 [Mr Mitchell]

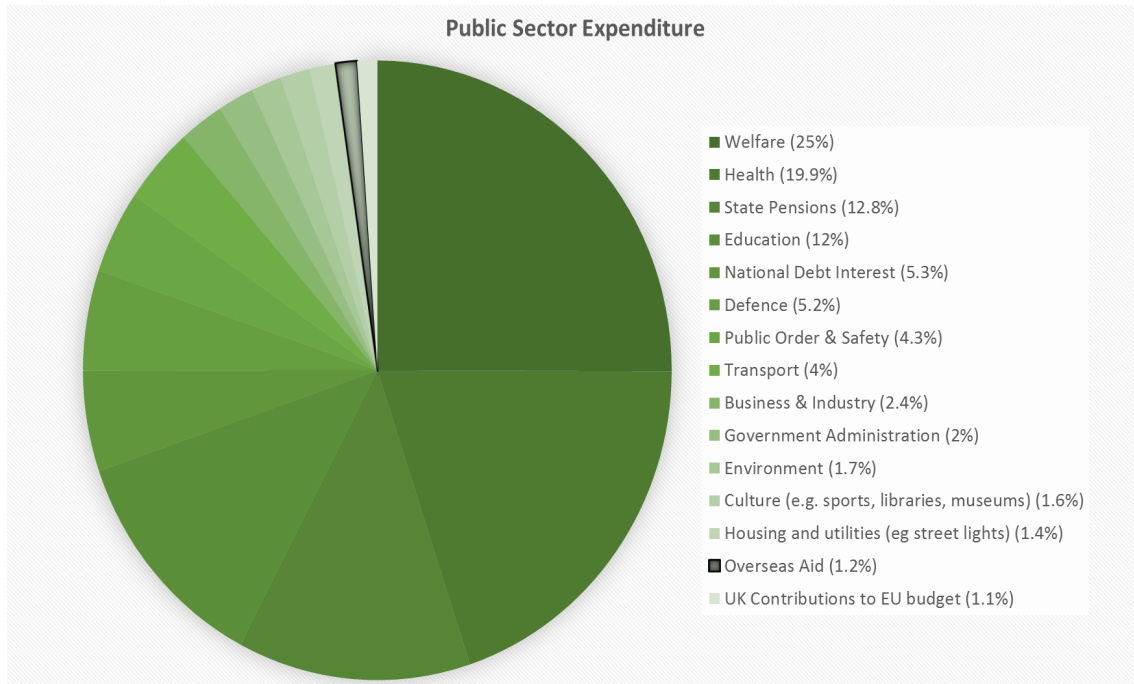
20 Oral evidence taken on 26 January 2017, HC [639](#), Q82

21 UK Government and Parliament Petitions, ‘[Stop spending a fixed 0.7 per cent slice of our national wealth on Foreign Aid](#)’, accessed 24 February 2017

22 HC Deb, 13 June 2016, [col 247WH](#)

23 “[Britain should stop wasting money on foreign aid](#)”, The Telegraph, 22 July 2015

24 House of Lords, The Economic Impact and Effectiveness of Development Aid, Sixth Report of the Select Committee on Economic Affairs, Session 2010–12, [HL Paper 278](#), para 95



Source: HM Treasury, '[How public spending was calculated in your tax summary](#)', accessed 21 March 2017

12. **We agree with our predecessor committee in supporting the 0.7% commitment.²⁵ We acknowledge and understand concern that aid spending is protected whilst domestic spending is not. We have already set out that we think that aid spending is in the national interest. It is right that every penny of the 0.7% is spent as effectively as possible, to tackle the harshest examples of poverty, humanitarian need, and causes of instability, and we regard it as our primary function as a Committee to scrutinise spending to ensure it achieves maximum benefit for its beneficiaries and the UK taxpayer.** In doing so we are glad to have the support of the Independent Commission for Aid Impact (ICAI) and the National Audit Office (NAO), which together guarantee that foreign aid is the most scrutinised part of UK Government spending. There have been some examples of ineffective spending and we have sought to identify these and make suggestions for improvements. **The examples we have seen of less effective spending do not represent a considerable portion of, nor are they an inevitable consequence of, the 0.7% target.** As we discuss further in para 34, maximising the value for money of aid spending often requires innovation, which means that there is a higher level of risk. In our view this is reasonable if risk is carefully managed and each experience is learned from, as it allows greater results to be achieved in the end.

13. We consider that DFID should be capable of spending the 0.7% in an effective way. **We have not seen evidence that poor or wasteful spending is any more of a problem for DFID than any other government department or other international donors; instead we would assess it to be effective in its spending.** What we have seen over the last year leads us to the conclusion that poor spending which does exist often reflects reductions in DFID's own capacity. DFID's staff numbers have not kept pace with its increase in spending. This has led to pressure to spend money through a small number of large programmes, rather than a larger number of small ones. It has also reduced DFID's ability to closely oversee some programmes. Later in this Report, we deal with the issue

25 International Development Committee, Eighth Report of Session 2013–14, [The Future of UK Development Co-operation: Phase 1: Development Finance](#), HC 334, pp 11–13

of capacity and suggest it should be increased. We think that this change would go a long way to addressing many of the specific and practical issues which critics often associate with the 0.7% target.

14. In addition, DFID is often accused of ‘dumping money’, including by some strong supporters of UK aid and the 0.7% target,²⁶ through large multilateral organisations and multi-donor trust funds administered by the World Bank and European Development Fund, where it is alleged the money often sits unused with high charges for administration.²⁷ In the Multilateral Development Review, both of these multilateral organisations were assessed to be very effective in achieving development results.²⁸ It has been suggested to us that, rather than paying high charges for the administration of and having its money sit in trust funds run by multilaterals, DFID should set up its own fund. ***We think that DFID should explore the idea of creating a mechanism for carrying funds forward which could then support its work when the need arose.***

15. In paragraph 45 we question how DFID makes decisions about which type of delivery mechanism to use to deliver aid and development. In some cases working multilaterally may be the best way to achieve results by reaching further to beneficiaries through existing structures or pooled resources. However, we are concerned that DFID’s lack of capacity is limiting its choices and effectiveness which makes it more difficult for it to balance its spending to the target across the year.

16. We have seen the great need for development assistance globally and the life changing opportunities it provides. We have visited schools in Jordan and Lebanon which would be unable to provide an education without UK support.²⁹ We have met people in Nigeria and the Democratic Republic of Congo whose jobs and livelihoods, and therefore their route out of poverty, have only been available due to the work that DFID is doing.³⁰ Over the past year we have inquired into humanitarian crises in Syria, Yemen and South Sudan;³¹ crises where basic needs such as food and shelter are only being provided because the UK is able to fund them.³² As Rt Hon Gordon Brown told us, “There is no way under present circumstances that the demand for help, whether it is humanitarian or development aid, is going to fall. It would be unrealistic to expect that in the short term we have to do anything other than increase our support for humanitarian aid.”³³

17. The Secretary of State told us that she has “been very clear on the 0.7% that we will honour the commitments that we have made on development.” She went on to say that “a wellfinanced aid budget is obviously there to deliver tangible results to the world’s poorest

26 Owen Barder, ‘[Eight lessons from three years working on transparency](#)’, accessed 10 March 2017

27 “[UK ‘dumps’ billions in bid to meet aid target](#)”, The Times, 19 December 2016

28 Department for International Development, [Raising the standard: the Multilateral Development Review 2016](#), December 2016, p 16

29 International Development Committee, ‘[DFID’s work on education: Leaving no one behind? inquiry](#)’, accessed 27 February 2017

30 See International Development Committee, Second Report of Session 2016–17, [DFID’s programme in Nigeria](#), HC 110, and International Development Committee, Fifth Report of Session 2016–17, [Fragility and development in the Democratic Republic of Congo](#), HC 99

31 See International Development Committee, First Report of Session 2015–16, [Syrian refugee crisis](#), HC 463, International Development Committee, ‘[Crisis in Yemen](#)’, accessed 27 February 2017, and International Development Committee, ‘[Instability and the humanitarian response in South Sudan](#)’, accessed 27 February 2017

32 One country which we have looked at (South Sudan) is now in a state of famine, while two more (Nigeria and Yemen) are at high risk of famine.

33 Oral evidence taken on 26 January 2017, HC [639](#), Q84

in challenging parts of the world.”³⁴ The Prime Minister, in her first speech to the UN, also stated that “We will continue to honour our commitment to spend 0.7% of our Gross National Income on development, building on the achievements we have already made to reduce poverty, deal with instability and increase prosperity the world over.”³⁵ The Chancellor told the House of Commons that “we have a manifesto commitment to spend 0.7% of GDP on overseas aid. That commitment has been legislated for and is therefore locked, unless this House were to decide otherwise.”³⁶ The Secretary of State also recently gave a robust defence of aid at the March 2017 Bond Annual Conference.³⁷ She told the conference that “It matters for our place in the world and I completely believe we should stand tall and be proud in the world, I think it speaks to our leadership. It speaks to the values that we have, as a country but as individuals as well. Yes, our moral values, but also because it’s in our national interest.”

18. Aid and development spending must truly follow need, and we have no doubt that there is sufficient need in the world for the commitment to the 0.7% target to be necessary. If all countries were meeting this commitment the chances of ultimately eliminating development need would be much greater; the fact that the UK hits the target gives the Government leverage to convince other countries to do the same. The inaction of others does not dissipate the UK’s responsibility to meet the target. This is both morally right and in our national interest. The response to many of the criticisms of aid spending is for DFID to continue to strive to spend better, not for it to spend less. It is our challenge to the Secretary of State to lead the Department in a way which displays the value for money and impact of good UK aid spending.

DFID and other government departments

19. The existence of an independent department responsible for UK development spending has a chequered history. The Labour government led by Harold Wilson in 1964 set up a Ministry of Overseas Development. When Edward Heath’s Conservatives took over in 1970, this was merged back into the Foreign Office and eventually became the Overseas Development Administration. In 1997, the Labour government again separated it out from the Foreign and Commonwealth Office, this time as the Department for International Development. Since then, DFID has been the department with primary responsibility for spending official development assistance (ODA). Over the last Spending Review period (2011–15), DFID was responsible for about 85% of the total UK ODA budget.³⁸ This amounted to just over £10 billion in 2014,³⁹ which stands in stark contrast to the total UK ODA budget of around £2 billion in 1997 when DFID was set up⁴⁰ (about £2.78 billion in real terms in 2014 values).

20. The Conservative Party manifesto in 2015 included a pledge to “maintain an independent Department for International Development”.⁴¹ Despite this, questions continue to be raised about whether DFID should continue in its current form, or

34 Oral evidence taken on 14 September 2016, HC 661, Q19

35 Prime Minister’s Office, ‘Theresa May’s speech to the UN General Assembly’, accessed 27 February 2017

36 HC Deb, 15 March 2017, col 435

37 Department for International Development, ‘Bond Annual Conference 2017’, accessed 21 March 2017

38 Independent Commission for Aid Impact, *The 2015 ODA allocation process* (December 2015), para 3.4

39 Department for International Development, *Annual Report and Accounts 2013–14*, HC (2014–15) 11, para 1.12

40 Department for International Development, *Table C1: UK Net ODA 1970–2015*, Statistics on International Development 2016 (November 2016)

41 Conservatives, *The Conservative Party Manifesto 2015*, p 78

whether it should be returned to the Foreign and Commonwealth Office. In 2013, before her appointment as Secretary of State for International Development, Rt Hon Priti Patel MP expressed the view that the Government should consider replacing DFID with a “Department for International Trade and Development in order to enable the UK to focus on enhancing trade with the developing world and seek out new investment opportunities in the global race.”⁴² Recently, a former DFID minister, Rt Hon Grant Shapps MP, expressed similar views in an article for *The Sunday Times*, in which he called DFID’s spending “out of control”. He argued that “we need to rejoin the work of DFID to that of the Foreign Office”, because “if we continue to spend cash with so little reference to our own national interests, or indeed sometimes the interests of the populations of the recipient countries, then we will risk forfeiting British taxpayers’ consent.”⁴³

21. Our predecessor Committee looked at the possible models and concluded that DFID should remain an independent department, to avoid “marginalising development” and “losing technical development expertise”.⁴⁴ Former Secretary of State for International Development, Rt Hon Clare Short, argued that, while the Foreign Office has “superb diplomats”, they “are not good at managing money, but they were obsessed with money. I do not know what has happened since, but the global fund for preventing conflict was a useless instrument, not very well managed. They are very good at some things and they should do what they are good at.”⁴⁵ Since being appointed Secretary of State in July 2016, Priti Patel has made clear that she is committed to DFID as an independent department. When we asked her about it, she told us:

Obviously, the department has an incredible reputation internationally. Also, when we look at the way in which our partners around the world lean into DFID as well for skills, for expertise or shared learning, of course that will continue. Certainly, over the last seven weeks I have been getting a stronger feel for that and, secondly, I have been working with and speaking to many of my counterparts, because they recognise the great value and significance of DFID as a department, but also the expertise, shared learning and practices that we have.⁴⁶

22. One of the largest changes in the 2015 UK aid strategy was the large increase in the amount of ODA which is planned to be spent by departments other than DFID. Over the current Spending Review period (2015–20) DFID is only expected to spend about 72% of the total UK ODA budget.⁴⁷ This opens up more of the budget to be spent by departments such as the Department for Business, Enterprise and Industrial Strategy (BEIS) and the Foreign and Commonwealth Office (FCO), as well as through cross-government funds like the Conflict, Security and Stabilisation Fund (CSSF) and the Prosperity Fund. In contrast to DFID, which has ending extreme poverty as its sole goal, other departments have more complicated objectives, raising questions over how their aid spending will be focused. In our interim Report in this inquiry we made clear our view that poverty reduction should be the explicit goal of all UK ODA spending, and should be a legal

42 *“Some countries do not need our money any more, says Andrew Mitchell”*, *The Telegraph*, 16 June 2013

43 *“Our aid saves lives—but I saw how it empowered tyrants too”*, *The Sunday Times*, 29 January 2017

44 International Development Committee, Tenth Report of Session 2014–15, *The Future of UK Development Co-operation: Phase 2: Beyond Aid*, HC 663, pp 32–36

45 Oral evidence taken on 14 March 2016, HC (2015–16) 675, Q77 [Clare Short]

46 Oral evidence taken on 14 September 2016, HC 661, Q2

47 Oral evidence taken on 23 February 2016, HC (2015–16) 576, Q11

obligation for the spending of ODA, regardless of which department is spending it.⁴⁸ We also raised concerns about the capacity and capability of those departments to deliver aid effectively, in contrast to a specialised department like DFID, and the transparency and accountability of those departments, in contrast to DFID which scores highly on the international Aid Transparency Index. Recent reports on the Prosperity Fund, from the Independent Commission for Aid Impact (ICAI),⁴⁹ and the CSSF, from the Joint Committee on the National Security Strategy (JCNSS),⁵⁰ have not set our minds at ease, especially on transparency issues.

23. We do not believe that abolishing DFID as an independent department would lead to any improvement in the quality of UK aid spending. The effect of merging DFID into another department would be to dilute its expertise as a specialist development department. The only outcome of such a move would be to diminish the focus placed on poverty reduction and development in UK aid spending, as the majority of ODA would become subject to more complex objectives in another department. This would heavily weaken its purpose and effectiveness, almost certainly outweighing any efficiencies or savings. We therefore strongly welcome the Secretary of State's commitment to maintaining DFID as an independent department, and expect this to remain so in the long-term future.

24. We remain concerned about the focus and capacity of other government departments spending ODA, and are looking in depth at these issues in our inquiry into UK aid: other government departments.⁵¹

Other issues of allocation

25. In the first phase of this inquiry, and in our interim Report, we covered a number of smaller technical issues.⁵² These included the use of traditional general budget support, the target for 'non-fiscal' spending, and the use of Payment by Results. These are all areas where, to some degree or other, we expressed the view that DFID was being set or was setting itself arbitrary rules and targets that did not necessarily correspond to the evidence on effective development. We do not intend to cover these issues in detail again, but wish to briefly follow up on the Government's response to our interim Report.⁵³

26. DFID is ending all of its traditional general budget support—giving money directly through beneficiary governments. DFID's focus on fragile and conflict-affected states means that there are fewer governments with which it is working to whom it is appropriate to give general budget support. General budget support should not be used with governments with high levels of mismanagement or corruption. There is, however, evidence which shows that, when used and managed appropriately, general budget support can be an effective means

48 International Development Committee, Third Report of Session 2015–16, [UK aid: allocation of resources: interim report](#), HC 927, incorporating HC 533, paras 13–14

49 Independent Commission for Aid Impact, [The cross-government Prosperity Fund](#) (February 2017)

50 Joint Committee on the National Security Strategy, Second Report of Session 2016–17, [Conflict, Stability and Security Fund](#), HC 208

51 International Development Committee, '[UK aid: other government departments inquiry](#)', accessed 24 February 2017

52 International Development Committee, Third Report of Session 2015–16, [UK aid: allocation of resources: interim report](#), HC 927, incorporating HC 533

53 International Development Committee, First Special Report of Session 2016–17, [UK aid: allocation of resources: interim report: Government Response to the Committee's Third Report of Session 2015–16](#), HC 256

of development.⁵⁴ We therefore recommended that DFID should consider “the case for an option to give general budget support in exceptional circumstances, where systems are in place to effectively monitor transparency and accountability.”⁵⁵ DFID disagreed with this recommendation, stating that it “will neither start any new, nor restart any previous, traditional general budget support programmes in conventional aid settings” as DFID increasingly works in countries where it is less appropriate and with different needs.⁵⁶

27. DFID is required by Treasury rules to spend £5 billion of ‘non-fiscal’ capital—spending such as loans, equity investments and contributions to multilateral development banks, which do not impact net public sector debt—over the Spending Review period. While we supported an appropriate level of ‘non-fiscal’ spending, we felt that “the target can force DFID to spend large amounts of money through a small number of channels”, including the IDA and CDC. We therefore recommended that this target should be relaxed, to “grant DFID the flexibility to spend in whatever way DFID deems will be most effective.”⁵⁷ DFID disagreed with this recommendation as well, arguing that “The appropriate level for financial transactions within DFID’s budget was agreed through the SR.”⁵⁸ Since that Report, Parliament has passed legislation allowing DFID to recapitalise CDC by a further £4.5 billion.⁵⁹ DFID has indicated that it wishes to do so over the course of the next few years, which would cover the majority of its ‘non-fiscal’ target.⁶⁰

28. We also criticised DFID’s use of Payment by Results, where some funds are only disbursed if certain results are achieved, in 80% of its new centrally-procured contracts. We concluded that “there is still only weak evidence in support of Payment by Results and that it can have negative consequences.” We recommended that “DFID should reduce its use of Payment by Results until it has a stronger evidence base and the deeper knowledge and understanding to implement it without negative consequences.”⁶¹ While DFID agreed “to expand the evidence base on what works best through learning-by-doing”, it rejected our recommendation and insisted that it “is proceeding with caution and learning from experience to ensure that expansion of [Payment by Results] delivers increased value for money and development impact.”⁶² We note that the Independent Commission for Aid Impact is currently looking at DFID’s use of Payment by Results.

29. DFID works best when it works flexibly, especially in the fragile and conflict-affected states on which it now focuses. The strict rules and targets surrounding budget support, ‘non-fiscal’ spending, and Payment by Results can be damaging to effective development and can lead to perverse outcomes. While DFID may assess all of the targets and rules surrounding budget support, ‘non-fiscal’ spending, and Payment

54 ActionAid ([ACH34](#)) para 15

55 International Development Committee, Third Report of Session 2015–16, [UK aid: allocation of resources: interim report](#), HC 927, incorporating HC 533, para 33

56 International Development Committee, First Special Report of Session 2016–17, [UK aid: allocation of resources: interim report: Government Response to the Committee’s Third Report of Session 2015–16](#), HC 256, pp 5–6

57 International Development Committee, Third Report of Session 2015–16, [UK aid: allocation of resources: interim report](#), HC 927, incorporating HC 533, para 55

58 International Development Committee, First Special Report of Session 2016–17, [UK aid: allocation of resources: interim report: Government Response to the Committee’s Third Report of Session 2015–16](#), HC 256, p 9

59 [Commonwealth Development Corporation Act 2017](#)

60 Commonwealth Development Corporation Bill Committee, 6 December 2016, [cols 9 and 15](#)

61 International Development Committee, Third Report of Session 2015–16, [UK aid: allocation of resources: interim report](#), HC 927, incorporating HC 533, paras 59–60

62 International Development Committee, First Special Report of Session 2016–17, [UK aid: allocation of resources: interim report: Government Response to the Committee’s Third Report of Session 2015–16](#), HC 256, p 10

by Results to be correct right now, it should keep them under constant review and be willing to relax them when appropriate, in order to have the flexibility required to spend effectively.

Reputational risk management

30. DFID is currently operating in an environment of intense media scrutiny and criticism. One strong element of this is a campaign being run by the Mail on Sunday which opposes the 0.7% target. At times this media scrutiny has been very helpful in uncovering serious issues in UK aid spending. It was partly as a result of the Mail on Sunday's coverage of private contractor costs that we launched our inquiry into *DFID's use of contractors*,⁶³ and it was as a result of its coverage that we investigated the *Conduct of Adam Smith International*, when Adam Smith International acted improperly in the submission of beneficiary testimonials to us.⁶⁴ However, at other times we have found much media coverage to be misleading about the nature of aid spending.⁶⁵ For example, regular articles on UK aid going to beneficiaries in countries with high levels of corruption tend to omit or barely mention the detail that this money never goes through the governments of those countries, but instead goes to specific programmes which DFID is overseeing.⁶⁶ This creates the strong impression to readers that UK aid money is going to corrupt governments and being squandered on private luxuries; something of which we have seen no evidence. We think that it is important for the debate surrounding the 0.7% target to take place in an honest and informed way, and we welcome media coverage which is in this vein.

31. We have become particularly frustrated with the coverage of reports from scrutiny bodies, including ourselves, the Independent Commission for Aid Impact, and the National Audit Office. We trust the media to accurately convey the contents of our Reports, with the appropriate context. On occasion, this has not been done.⁶⁷ This creates a risk that scrutiny bodies will have to spend more time concerned with media handling, and how aspects of their reports might or could be taken out of context, rather than on robust scrutiny of DFID and ensuring that UK aid money is spent well.

32. We will continue to fulfil our responsibility for the robust scrutiny of aid and development expenditure, including cases brought to our attention in evidence and media coverage. We do this because we recognise the need for and value of such spending. UK aid and international development is a subject meriting well-informed public debate supported by accurate and factual journalism. We will continue to work

63 International Development Committee, '[DFID's use of contractors inquiry](#)', accessed 24 February 2017

64 International Development Committee, Seventh Special Report of Session 2016–17, [Conduct of Adam Smith International](#), HC 939

65 For example, see "[Queue here for UK's £1bn foreign aid cashpoint: Just when you thought it couldn't get any worse... YOUR cash is doled out in envelopes and on ATM cards loaded with money](#)", The Daily Mail, 3 January 2017 (cf. Overseas Development Institute, [Cash transfers: what does the evidence say?](#) (July 2016)), and "[Revealed: How Britain pours £568m of YOUR money into war-torn Somalia despite 'certain' risk it will be stolen by ISIS and used to fund terrorism](#)", The Daily Mail, 4 December 2016 (cf. Independent Commission for Aid Impact, [DFID's approach to managing fiduciary risk in conflict-affected environments](#) (August 2016))

66 For example, see "[Foreign aid to most corrupt nations soars 30% in a year: £1.3bn is handed to 20 countries despite warnings it could be stolen or seized by terrorists](#)", The Daily Mail, 22 December 2016

67 For example, see "[Taxpayers should accept foreign aid money will be lost because of corruption, MPs say](#)", The Telegraph, 19 October 2016 (cf. International Development Committee, Fourth Report of Session 2016–17, [Tackling corruption overseas](#), HC 111)

alongside the Independent Commission for Aid Impact and the National Audit Office, to pursue robust and fair scrutiny. The media has a responsibility to be accurate and contextual given its role in influencing public understanding and opinion.

33. We received compelling written evidence from Dr Jonathan Fisher, Senior Lecturer in African Politics and Director of the International Development Department at the University of Birmingham, arguing that, in contrast to most other areas of risk, DFID is poor in managing reputational risk. He noted that “limited guidance is available on understanding, recognising and responding to reputational risk”, and he highlighted research showing that reputational concerns are central to a number of aid allocation decisions (including budget support suspensions, which have ultimately led to the ending of general budget support as noted above). He also stated that “Recent research suggests that DFID officials interpret public support for or opposition to key decisions through media headlines”, and therefore argued that “if DFID officials are to base key decisions on aid flows and modalities upon considerations of UK public opinion then their understandings of the latter should be better informed.”⁶⁸

34. We are concerned with DFID’s management of its reputational risk. We note that programmes occasionally appear to be closed based on negative media headlines, despite performing well in DFID’s own assessments and without a proper review of the programmes being undertaken.⁶⁹ Some reputational risk is inherent in what DFID does, especially with an increased focus on fragile states and regions. World Vision told us that, if DFID wanted to be more innovative, “it needs to review and increase its risk profile”,⁷⁰ and the Bond Disability and Development Group similarly said that “reaching the most marginalised may require a higher level of innovation and therefore a larger risk appetite.”⁷¹

35. At the start of this inquiry, we felt that DFID was not doing well enough in communicating when it was doing good work and correcting inaccurate coverage. We have been monitoring DFID’s response to this media environment, and the quality of its communications, throughout this inquiry. The situation has since improved, with DFID being more proactive and launching a page on its website responding to recent media articles,⁷² which has led to the correction of at least one inaccurate headline.⁷³ The Secretary of State told us, when she was challenged on how DFID was communicating its good work, that “I am speaking emphatically about the great work that not only DFID does but also, importantly, that our 0.7% does in the world. I am committed to that, and I have said that at every single opportunity.”⁷⁴

36. While there has been some improvement, we still do not believe that DFID is robust in its communications and managing reputational risk. The creation of its ‘DFID in the news’ page is a positive step in this regard but, without proactively advertising it, we think that it is unlikely to gain much exposure or traction with the general public.

68 Dr Jonathan Fisher (ACH30)

69 For example, see DFID DevTracker, ‘[Girlhub Ethiopia—Phase II](#)’, accessed 27 February 2017, and DFID DevTracker, ‘[Security Sector Accountability & Police Programme](#)’, accessed 27 February 2017

70 World Vision UK (ACH04) para 17

71 Bond Disability and Development Group (ACH08) para 4.6.1

72 Department for International Development, ‘[DFID in the News](#)’, accessed 27 February 2017

73 “[Britain loses millions in foreign aid to fraud without noticing](#)”, The Times, 9 February 2017 (originally “Britain loses £300m in foreign aid to fraud without noticing”, cf. National Audit Office, *Department for International Development—Investigation into the Department’s approach to tackling fraud*, HC [1012](#))

74 Q349

We urge DFID to continue improving its communications and to be more proactive in publicising when it is doing good work and achieving life-changing impact around the world, with the Secretary of State and ministers leading proactively in this regard.

37. DFID's decisions as to the allocation of resources should be based on evidence rather than media coverage. We are concerned that it does not have a clearly set reputational risk appetite, which leads it to avoid or close down innovative and effective programmes which might draw negative headlines. This is a particularly important issue as other government departments spend more of the aid budget, which creates additional reputational risks. *We recommend that DFID produces clear guidance on how to manage reputational risk, the level of its reputational risk appetite, and how to respond to reputational risk issues in the aid budget across the Government. Part of this guidance should include how the performance of a programme should be reviewed if it receives negative media attention before any decision is taken as to its closure.*

3 The development reviews

A comprehensive review of UK aid

38. DFID first conducted a full review of its bilateral and multilateral spending in 2011, through the Bilateral Aid Review (BAR)⁷⁵ and the Multilateral Aid Review (MAR),⁷⁶ and the MAR was subsequently updated in 2014.⁷⁷ In 2015, DFID began its second full review, part of which was designed to coincide with the Spending Review⁷⁸ (and also the Strategic Defence and Security Review,⁷⁹ which was published at the same time). This time, the review would consist not just of a BAR and a MAR, but also a Civil Society Partnership Review (CSPR) and a Research Review.

Delays to the development reviews

39. We were initially told in 2015 that the Research Review would be published shortly after the summer, that the CSPR would be published shortly before the Spending Review, and that the bilateral and multilateral reviews would be published before the end of the year. The development reviews, as they were eventually branded, underwent several significant delays. By the end of 2015 we were being told that the reviews would be published in the spring;⁸⁰ something we continued to be told until the end of spring in 2016. We were then told that the reviews would be published after the referendum on the UK's membership of the European Union; an event which led to a Cabinet reshuffle and a further delay for the reviews to be reconsidered by the new Secretary of State. The Research Review was published on 26 October,⁸¹ the CSPR on 4 November,⁸² and the Bilateral and Multilateral Development Reviews were published on 1 December.⁸³ All four documents were shorter and contained much less detail, in terms of methodology, results and implications, than we had expected.

40. We heard evidence of the serious effects that these delays, and the associated uncertainty, have had, especially on civil society organisations (CSOs) which rely on DFID funding. Martha Mackenzie of Save the Children told us that, for smaller organisations, the “adaptation process [from pre-CSPR funding streams] has been much harder without knowing what was coming.” Other representatives, from Civicus and Action for Global Health, echoed this, telling us that the uncertainty had led to restructuring, the loss of jobs, and the downsizing of programmes.⁸⁴ One small CSO, Progressio, has even had to close completely after 75 years of work; this was due in part to being unable to replace its pre-CSPR funding.⁸⁵ In response, DFID argued that it provided “18 months’ notice of the

75 Department for International Development, [Bilateral Aid Review: Technical Report](#), March 2011

76 Department for International Development, [Multilateral Aid Review](#), March 2011

77 Department for International Development, [Multilateral Aid Review Update](#), December 2013

78 HM Treasury, [Spending Review and Autumn Statement 2015](#), Cm 9162, November 2015

79 HM Government, [National Security Strategy and Strategic Defence and Security Review 2015](#), Cm 9161, November 2015

80 Q3

81 Department for International Development, [DFID Research Review](#), October 2016

82 Department for International Development, [Civil Society Partnership Review](#), November 2016

83 Department for International Development, [Rising to the challenge of ending poverty: the Bilateral Development Review 2016](#), December 2016, and Department for International Development, [Raising the standard: the Multilateral Development Review 2016](#), December 2016

84 Q242

85 Progressio, [‘Progressio to close after 75 years’](#), accessed 27 February 2017

fact that the PPA system [the core pre-CSPR funding stream] would not be sustained”, which was “a lot of notice for people.”⁸⁶ However, the evidence that we heard indicates that the uncertainty created by the absence of detailed information on a successor programme to PPAs has had a damaging effect. As we discuss further in para 64, it remains unclear whether replacement funding mechanisms will maintain the pre-CSPR level of long-term funding to CSOs.

41. As the development reviews are evidence-based processes, and that evidence was gathered in late 2015 and early 2016, we have not heard any indication that the results were substantially changed through the delays. In fact, we understand that multilateral organisations had their indicative results from the Multilateral Development Review (MDR) relatively early in 2016. This was definitely true by early November, a month before the MDR was published, when Alice Albright of the Global Partnership for Education confirmed as much.⁸⁷ In September, the Secretary of State told us that DFID is “in constant contact with all the institutions and organisations, and so we are very fluid in our ways of working and discussions with them. It is an open discussion that we have with them, so they are very much part of the process, it is fair to say.”⁸⁸ In practice, any changes which have been made to the reviews during the delays have been thematic and as a result of the new Secretary of State’s approach. Martha Mackenzie told us that “What we have heard is that the MAR is likely to look quite different, and that is actually an area that the new administration had thoughts on and wanted to be propositional about.”⁸⁹ The Secretary of State also told us that the changes “are much more reflective of my approach and my way of working and of the engagement that I have had with countries and organisations.”⁹⁰

42. The numerous delays to the development reviews have undoubtedly had grave effects on a number of organisations and, we fear, on the quality of some programming. The low level of detail in the reviews does not justify such substantial delays. We understand that the effects of the EU referendum result and the different approach of a new Secretary of State necessitated some changes. However, uncertainty surrounding the EU referendum was potentially foreseeable and should have motivated DFID to do everything it could to publish the reviews prior to the referendum. The fact that it did not is deeply regrettable and caused problems for some civil society organisations. We have not seen any evidence that the delays after the referendum were related to any detailed thinking about the implications of the referendum result for the UK development agenda.

Coherence between the reviews

43. Due to the process of carrying out the development reviews together, they all went through a ‘coherence phase’ centrally in DFID. The purpose of this process was to reconcile the reviews and DFID’s overarching strategy with the lower-level and more specific assessments which had been made in the reviews.⁹¹ Sir Mark Lowcock, Permanent

86 Qs 276–277

87 Oral evidence taken on 1 November 2016, HC [639](#), Q13

88 Oral evidence taken on 14 September 2016, HC [661](#), Q52

89 Q264

90 Q275

91 Independent Commission for Aid Impact, [The 2015 ODA allocation process](#) (December 2015), para 4.20

Secretary at DFID, told us that success would involve “a set of allocations through which we can demonstrate, to you and everyone else that the Government have allocated resources to achieve all of their manifesto objectives, which are set out in the aid strategy.”⁹²

44. ICAI told us in December 2015 that the coherence phase “is the most important but least clear part of the process”.⁹³ Despite asking questions to the Secretary of State and Permanent Secretary about this, we are still unclear on what exactly was done during the coherence phase, or what the results of it were. This is an important aspect which lacked detail in the development reviews. We were particularly shocked that the CSPR did not mention the Sustainable Development Goals, which we would have expected to be used to tie the reviews together. We recommended in our interim Report that “DFID should set out clearly what criteria it uses to determine the balance between multilateral and bilateral spending, and how these criteria are then used to decide the balance.”⁹⁴ We can only assume that DFID did compare its multilateral and bilateral spending against each other during the coherence phase to come up with allocations. The Secretary of State told us:

We take a holistic and integrated approach. The other point to make is that the Department constantly has to review the resource allocation. It is not just country by country. It is based on the big challenges that we see around the world, whether it is fragile states or things of that nature. It is probably more integrated than the publication of singular reviews may lend itself to demonstrate.⁹⁵

45. We are concerned that, in the development reviews, DFID has not displayed whether it is thinking strategically in terms of allocations between bilateral and multilateral budgets. We are left to assume that this was done during the coherence phase, but in the absence of evidence to the contrary we can only conclude that the balance between bilateral and multilateral spending in DFID is arbitrary. We strongly reiterate our previous recommendation that we need much more detail from DFID as to how it strategically sets the balance between bilateral and multilateral spending. We would also like to see its assessment of the respective effectiveness of different methods of delivery and the criteria that it uses to make case-by-case judgements.

The Research Review

46. The Research Review “sets out how DFID will invest an average of £390 million per year over the next 4 years”.⁹⁶ Considering it was delayed for around a year, we were struck by the scarcity of detail in the review. The result of the review, as far as we are able to determine from the short published document, is that there will be no change in DFID’s research spending. The review states that it “carried out a rigorous analysis of the opportunities to maximise the impact of development research investments.” It would have been helpful for some of this analysis to have been presented in the published review.

92 Q4

93 Independent Commission for Aid Impact, [The 2015 ODA allocation process](#) (December 2015), para 4.20

94 International Development Committee, Third Report of Session 2015–16, [UK aid: allocation of resources: interim report](#), HC 927, incorporating HC 533, para 28

95 Q279

96 Department for International Development, [DFID Research Review](#), October 2016

Bilateral Development Review (BDR)

47. The BDR⁹⁷ looks at DFID’s bilateral programming—programming in countries which is run by (or contracted out by) DFID itself, either through its country offices or centrally—which amounted to £7.7 billion in 2015.⁹⁸ As a strategy for its bilateral work, the BDR is largely lacking in detail. The majority of the document is dedicated to a restatement of DFID’s thematic priorities and focuses—tackling global challenges in the national interest (including a brief and welcome section on the Sustainable Development Goals), boosting prosperity and economic development, investing in basic services and marginalised groups, tackling humanitarian crises, and achieving value for money through transparency and accountability. Very little of the information in the BDR is new. It does not mark a shift in DFID’s approach; all of these issues were already issues on which DFID was focused and which we have previously supported. These chapters therefore give very little hint of how DFID will be allocating resources accordingly. This was in contrast to the last Bilateral Aid Review which contained a clear statement of DFID’s priority countries and planned spending.⁹⁹ We asked for an updated version of this table but were not provided with it¹⁰⁰ and have been reliant on planned spending tables for the next two years in the back of DFID’s most recent Annual Report.¹⁰¹

48. Disappointingly, the documents and detailed analyses which appear to be driving DFID’s allocation decisions have not been published. The technical note to the BDR states that it “looked at where DFID previously operated and assessed what role we should play and how in the years ahead.”¹⁰² To do this, DFID “prepared draft strategies”, based on refreshed Country Poverty Reduction Diagnostics—which assess and plan out a strategy for how DFID can best support a country’s exit from poverty—and Inclusive Growth Diagnostics—to plan economic development efforts. The only indication that the technical note gives as to how allocation decisions are made is a brief explanation of the principles on which aid is allocated (present need, aid effectiveness, future need, and ability to self-finance). For the vast majority of the countries in which DFID works, it has not published these documents, and all of its existing published country operational plans have now expired. Sir Mark Lowcock told us that revised plans would be published early in 2017, but this has still not happened.¹⁰³

49. The highest density of detail in the BDR is in the chapter on “Where we will work”.¹⁰⁴ The chapter begins by saying “The geography of poverty is changing”, before stating that “As a result of the Bilateral Development Review we will: focus our support where it is most needed [...] intensify our efforts to help countries transition from aid [...] take a more complete and comprehensive approach to each country”. It is unclear that any of this marks a change to what had already been announced in the UK aid strategy or how DFID was already working. The only specific details that are given are commitments to:

97 Department for International Development, *Rising to the challenge of ending poverty: the Bilateral Development Review 2016*, December 2016

98 Department for International Development, *Statistics on International Development 2016*, November 2016, p 12

99 Department for International Development, *Bilateral Aid Review: Technical Report*, March 2011, Annex F

100 *Correspondence with the Secretary of State for International Development relating to the Bilateral Development Review*, 14 December 2016

101 Department for International Development, *Annual Report and Accounts 2015–16*, HC 329, Annex B

102 Department for International Development, *Bilateral Development Review: technical note*, December 2016, p 2

103 Q307

104 Department for International Development, *Rising to the challenge of ending poverty: the Bilateral Development Review 2016*, December 2016, p 51

- “significantly scale up our support for the Middle East”,
- “increase investment in fragile countries and countries emerging from conflict”,
- “develop a stronger focus on the Sahel”, and
- “continue to shift away from countries that are better able to self-finance their development”.

However, when we asked the Secretary of State about what DFID would specifically be doing in the Sahel—whether this commitment means an increased focus on DFID’s existing bilateral programmes in the region or new bilateral programmes in countries like Chad, Niger and Mali—she did not give a clear response.¹⁰⁵

50. The lack of detail in the Bilateral Development Review is disappointing. Even where DFID has committed to specific actions, it is unclear how it plans to take this forward. While DFID’s thematic priorities are now well-stated, it is difficult to come to a conclusion on how well it is making bilateral allocation decisions, without better information on how it is actually making those decisions. We are concerned that this displays a lack of strategy in how DFID is doing so and that DFID is now providing less information than it has in the past about its spending decisions, priorities and plans.

51. DFID should always tend towards complete openness and publication of as many documents as possible. The non-publication of new country operational plans, the country poverty reduction diagnostics, and inclusive growth diagnostics runs counter to this principle. DFID should publish as many of these documents as possible for its country programmes by the start of the summer parliamentary recess. If necessary, for confidentiality reasons, it should redact any sensitive material but produce substantial versions which can be published. DFID should also publish an updated list of its priority countries, with long-term spending plans for each.

52. As part of the BDR process, and to coincide with the publication of the 2015 UK aid strategy, DFID revised its definition of fragile states and published an updated list.¹⁰⁶ We looked at this issue extensively in the early part of this inquiry. In our interim Report we asked for more information on how DFID determined its list and how that list would inform allocation decisions.¹⁰⁷ While DFID agreed to this in its response to our Report,¹⁰⁸ this information has not been forthcoming and all that DFID has told us is that it combines scores from a number of data sources (which it has listed, but it gave no indication as to the weighting or method of combination). We also recommended that DFID should consider the OECD’s new multidimensional fragility framework. That framework has now been published, presenting a much more considered and complex definition and conceptualisation of fragility than that which appears to be being used by DFID, and with a much clearer methodology. The framework “links fragility with a combination of risks

105 Q302

106 Department for International Development ([ACH33](#)) Annex A

107 International Development Committee, Third Report of Session 2015–16, [UK aid: allocation of resources: interim report](#), HC 927, incorporating HC 533, para 20

108 International Development Committee, First Special Report of Session 2016–17, [UK aid: allocation of resources: interim report: Government Response to the Committee’s Third Report of Session 2015–16](#), HC 256, p 3

and coping capacities rather than focusing primarily on weak governance”, and is based upon the five dimensions of fragility (economic, environmental, political, security and societal).¹⁰⁹

53. We reiterate our previous recommendation that DFID should publish more complete details of its definition of fragility and specific information about how its list of fragile states and regions has been determined, including details of how the different categories of fragility will inform allocation decisions. We expect this information to be forthcoming and stress that a statement that DFID combines scores from a number of data sources is not a statement of methodology nor is it the information we are asking for and were promised. Considering the clear, publicly available and considered methodology behind the OECD’s fragility framework, we see no reason why DFID should not align with other donors and use it.

Multilateral Development Review (MDR)

54. In its 2015 review of ‘How DFID works with multilateral agencies to achieve impact’, the Independent Commission for Aid Impact (ICAI) found that “DFID’s choice of multilaterals as a delivery partner is not always evidence based” and that “DFID lacks a clear strategy for its engagement” with multilaterals.¹¹⁰ DFID rejected ICAI’s recommendation that it “should have a strategy for its engagement with the multilateral system as a whole at the global level”, on the basis that its strategic approach “is set out in the Multilateral Aid Review (MAR) and will be updated through the MAR process later this year as planned.”¹¹¹ In our interim Report in this inquiry we concluded that “Whether or not the Multilateral Aid Review suffices as a standalone strategy, rather than an assessment and diagnostic tool, remains to be seen and we intend to return to this topic.”¹¹²

55. In contrast to the BDR, the MDR¹¹³ provides more detail of its methodology and results, including one page summaries of DFID’s assessments of its multilateral partners.¹¹⁴ These assessments were based on each organisation’s match with UK priorities, including achievement of the Sustainable Development Goals, and its organisational strengths. The MDR also gives detail of “DFID’s future approach to multilaterals”, including the changes in the multilateral system which it will advocate for at the international level. The review finally gives details of how DFID plans to achieve value for money from its multilateral partners, by “linking funding to performance”. The MDR therefore goes somewhat further than the 2011 MAR did to spell out DFID’s strategy towards multilaterals, including how it will attempt to achieve change.

56. The MDR still does not provide clear detail of how and why DFID chooses to use multilaterals, though, or what effects the results of the review will have on funding. ICAI concluded in 2015 that “DFID does not always consider alternatives to multilaterals in-

109 OECD, *States of Fragility 2016: Understanding Violence* (November 2016), p 72

110 Independent Commission for Aid Impact, *How DFID works with multilateral agencies to achieve impact* (June 2015)

111 Department for International Development, *Management Response to the Independent Commission for Aid Impact recommendations on: How DFID works with multilateral agencies to achieve impact*, July 2015

112 International Development Committee, Third Report of Session 2015–16, *UK aid: allocation of resources: interim report*, HC 927, incorporating HC 533, para 27

113 Department for International Development, *Raising the standard: the Multilateral Development Review 2016*, December 2016

114 Department for International Development, *Raising the standard: the Multilateral Development Review 2016*, accessed 10 March 2017

country, making it hard to ensure transparency and value for money”, and therefore recommended that “DFID needs clear objectives for its work with the multilateral system in its country-level strategies.”¹¹⁵ As a result, we stated in our interim Report that “We trust that the Multilateral Aid Review will include analysis of the performance and capacity of multilaterals in-country.”¹¹⁶ The MDR comes close to doing this, with an assessment of each multilateral’s performance in fragile states forming part of the grading for how it matches with UK priorities.¹¹⁷ *We expect the new country operational plans to include objectives for DFID’s work with the multilateral system in each country.*

57. The 2011 MAR did not appear to have a clear effect on funding allocations. It led to four poorly performing organisations losing all funding.¹¹⁸ Danny Sriskandarajah of Civicus pointed out to us that “the Commonwealth Secretariat, which had one of the worst MAR scorecards apparently [received] more funding, presumably because of political reasons.”¹¹⁹ Only one of the poorest performers in the MDR, the Global Facility for Disaster Reduction and Recovery, has had its funding cease.¹²⁰ UNESCO has performed poorly in the MDR, having also performed poorly in the 2011 MAR.¹²¹ Media reports have suggested that the Secretary of State’s attempts to stop funding to UNESCO as a result were rebuffed by the Prime Minister for political reasons.¹²² When appearing before us, the Secretary of State told us that the approach DFID has taken “means a change of approach in terms of being much more open from UNESCO’s perspective, working with not just DFID but other Government Departments, to ensure that we can set new standards and new targets. DFID is now leading on this, and we will work with UNESCO to make sure that it can drive performance and change within its organisation.”¹²³ On the basis of this statement, as with the MAR, we do not believe that the MDR will have a clear effect on funding allocations for most of the poorly performing multilaterals, including UNESCO.

58. Alongside the release of the MDR, UNESCO published a statement strongly criticising it as “flawed” and rejecting its conclusions.¹²⁴ Together with criticism that the review lacked a “consultative process and in-depth research in line with professional standards”, UNESCO’s fundamental criticism was that the MDR “method does not deal well with agencies that have a normative or standard-setting function”. It alleges that the review favours short-term and more easily measurable results. This is a criticism which our predecessor Committee also levelled at the 2011 MAR, in its 2013 Report on that process, and which led it to recommend that the 2015 review “should make a much clearer distinction between different organisations’ mandates.”¹²⁵ It is also a long-running

115 Independent Commission for Aid Impact, [How DFID works with multilateral agencies to achieve impact](#) (June 2015), para 3.20

116 International Development Committee, Third Report of Session 2015–16, [UK aid: allocation of resources: interim report](#), HC 927, incorporating HC 533, para 27

117 Department for International Development, [Raising the standard: the Multilateral Development Review 2016](#), December 2016, p 14

118 *Ibid*, p 32

119 Q266

120 Department for International Development, [Raising the standard: the Multilateral Development Review 2016](#), December 2016, p 37

121 Department for International Development, [Multilateral Aid Review](#), March 2011, p 98

122 [“Priti Patel got ‘major rap over knuckles’ from Theresa May in funding row”](#), The Telegraph, 4 November 2016

123 Q325

124 UNESCO, [UNESCO rejects findings of the 2016 UK Multilateral Development Review](#), accessed 10 March 2017

125 International Development Committee, Fourth Report of Session 2013–14, [Multilateral Aid Review](#), HC 349, para 45

concern, which ICAI has also identified,¹²⁶ that DFID favours easily measurable and short-term results. We have not been able to determine how well the MDR deals with measuring normative results, and UNESCO's performance has both been criticised and supported in evidence to our inquiry into *DFID's work on education: Leaving no one behind?*¹²⁷

59. Performance Agreements with multilaterals are one of the specific measures which DFID indicated it will use to achieve change, improvement and value for money through the multilateral system.¹²⁸ So far, it has agreed a Performance Agreement with the Global Fund, which links some funding to the Fund's achievement of specified results and reforms.¹²⁹ This includes a requirement for the Global Fund to utilise Payment by Results in its investments. This is despite us raising in our interim Report that the evidence base on Payment by Results is weak, and some evidence suggests it can create perverse incentives and have negative consequences.¹³⁰ The Secretary of State told us that Performance Agreements will be used "where we know that multilateral organisations, or some of them, are not performing in the way in which we would like them to perform",¹³¹ although the use of such an agreement with the high-performing Global Fund¹³² indicates that they will be used somewhat more widely.

60. We have heard some cautious optimism about the use of Performance Agreements. Kathleen Spencer Chapman of Bond told us:

Obviously, we are very interested in the overall good performance of multilaterals, and making sure that they are really doing the best possible job in tackling poverty. If those sorts of performance agreements contribute to achieving that then that can certainly be useful.¹³³

Martha Mackenzie of Save the Children also expressed the potential:

The UK has a good track record of using its leverage positively. If we see more of that through the MAR, and more ambition to do that through the MAR, that is a good thing, and it is a recognition of the role that the 0.7% commitment gives us on the international stage as a global player, as someone who can deploy soft power effectively and really tackle some of these big, global challenges.¹³⁴

126 Independent Commission for Aid Impact, *DFID's approach to delivering impact* (June 2015), Management Summary

127 Oral evidence taken on 11 January 2017, HC 639, Q59 [Kevin Watkins] cf. Oral evidence taken on 26 January 2017, HC 639, Q93 [Gordon Brown]

128 Department for International Development, *Raising the standard: the Multilateral Development Review 2016*, December 2016, p 32

129 Department for International Development, *Performance Agreement: United Kingdom and The Global Fund to Fight Aids, Tuberculosis and Malaria*, September 2016

130 International Development Committee, Third Report of Session 2015–16, *UK aid: allocation of resources: interim report*, HC 927, incorporating HC 533, para 59

131 Q327

132 Department for International Development, *Raising the standard: the Multilateral Development Review 2016*, December 2016, p 16

133 Q267 [Kathleen Spencer Chapman]

134 Q267 [Martha Mackenzie]

61. EU agencies were ranked highly in the MDR. There remain unanswered questions on how this key multilateral relationship will develop after the UK exits the EU. We will examine this issue further in our inquiry into *The Future of UK-EU development cooperation*.¹³⁵

62. **We welcome the improvements that have been made to the multilateral review process after the 2011 Multilateral Aid Review, although we would have appreciated more detail on how the review will influence spending decisions. At present, we are not convinced that DFID is strategic in how it decides which multilaterals to use and how. We also remain concerned about whether the Multilateral Development Review is able to take full account of the standard-setting and more qualitative functions of multilateral partners. *In its response to this Report, DFID should lay out in detail how it decides when and where to put money through multilaterals, including between different multilaterals, and how this process is informed by the results of the Multilateral Development Review.***

63. **The use of Performance Agreements has the great potential to drive improvements in DFID’s multilateral partners and the multilateral system as a whole. Performance Agreements need to be used carefully, though, so as not to impose practices like Payment by Results, which might create perverse outcomes, on multilateral agencies. *In particular, DFID should not require multilateral partners to implement or increase their usage of Payment by Results without a stronger evidence base that it leads to better development outcomes.***

Civil Society Partnership Review (CSPR)

64. The CSPR¹³⁶ examined DFID’s relationship with civil society organisations (CSOs). As with the Research Review, the CSPR’s length (14 pages, of which only 7 are the review findings and outcome) and its level of detail (the outline of the review, including methodology, only takes up half a page) are both very disappointing. Kathleen Spencer Chapman of Bond told us that “There are a lot of areas where there is not a huge amount of detail.”¹³⁷ This has made analysing whether or not its findings and outcomes are positive a challenging task. In particular, there is a lack of detail around how the new UK Aid Connect funding stream, which is focused on supporting coalitions of organisations “to help find solutions to current complex situations whilst tackling tomorrow’s challenges”, will work in practice. The CSPR also has no information about the amounts of funding which will be available through its different streams, or if the amount of funding which will be available to civil society will be changed from pre-CSPR levels.

65. Some of the statements in the CSPR, especially around supporting smaller CSOs and CSOs based in developing countries, are welcome but need to be turned into practical and detailed proposals. On our recent visit to Uganda, as part of our inquiry into *DFID’s work on education: Leaving no one behind?*, we saw some good examples of how DFID could better support smaller and more local CSOs. Through its centrally-managed Amplify programme, an innovation challenge fund worth £10 million over 5 years and implemented by an organisation called IDEO.org, DFID is piloting an approach that

135 International Development Committee, [‘The future of UK-EU development cooperation inquiry’](#), accessed 21 March 2017

136 Department for International Development, [Civil Society Partnership Review](#), November 2016

137 Q240

allows it to disburse small amounts of money “to address smaller, localised challenges across any sector in a more nimble fashion”.¹³⁸ The Secretary of State recently announced plans for a Small Charities Challenge Fund, directing funding specifically to UK-based charities with an annual income of less than £250,000, as well as additional support to small charities from a partnership with the Charity Commission.¹³⁹ **We welcome DFID’s announcement of a Small Charities Challenge Fund, following previous recommendations by this Committee.**¹⁴⁰ **We look forward to seeing how it goes about providing further support to small charities. We also support the approach that DFID is taking through the Amplify programme, and strongly urge it to consider how it might adapt and use this model to support smaller local CSOs for programming at country office level.**

66. Of particular surprise to us was the lack of any mention of the Sustainable Development Goals (SDGs) in the CSPR. In our Report on *UK implementation of the Sustainable Development Goals* we highlighted that CSOs “have a vital part to play in the achievement of the SDGs, through communicating and implementing the Goals, and holding governments to account on progress.” We therefore expressed our hope that “the crucial role of civil society in achieving the Goals will be recognised by the Government in the upcoming Civil Society Partnership Review”.¹⁴¹ Hayley Cull of UNICEF told us that:

[UNICEF was] quite surprised to see that SDGs were not part of the framing. It is something that we have heard repeatedly in previous conversations and we have made the point repeatedly to DFID. It certainly felt like quite a big omission to not have that in the framing.¹⁴²

Despite the Secretary of State’s assertion to us that the Department lives and breathes the SDGs so does “not need, through reviews, to restate that point”,¹⁴³ this was still a serious omission.

67. Some CSOs have expressed their concern over the language surrounding civil society in the CSPR. Danny Sriskandarajah of Civicus told us that the partnership between DFID and civil society seems to be changing:

There are words like “supplier” used with much greater frequency, at DFID. Gone are the days when civil society seems to be seen as an equal and important partner in the development project. We are into a scenario that is unfortunately sweeping across the donor world. This will have serious

138 Department for International Development, *Business Case and Summary—Amplify Open Innovation for development* (February 2016)

139 Department for International Development, ‘[New support to boost grassroots British charities](#)’, accessed 21 March 2017

140 For example, see International Development Committee, Twelfth Report of Session 2014–15, *Jobs and Livelihoods*, HC 685, para 112, International Development Committee, Thirteenth Report of Session 2014–15, *Department for International Development’s Performance in 2013–14: the Departmental Annual Report 2013–14*, HC 750, para 105, and International Development Committee, Second Report of Session 2015–16, *Ebola: Responses to a public health emergency*, HC 338, para 22

141 International Development Committee, First Report of Session 2016–17, *UK implementation of the Sustainable Development Goals*, HC 103, para 56

142 Q243

143 Q284

and long-term damaging impacts on the health of British civil society, and indeed Britain's standing in the development world, if indeed the CSPR leads to more of that approach.¹⁴⁴

He went on to explain the benefits of a partnership, rather than a 'supplier' relationship:

The role of civil society is not simply to spend Government money, or indeed just to deliver services. Many of the organisations represented around this table bring with them a whole range of other assets. They have memberships that can be deployed here in solidarity or in support. [...] If we are talking about long-term social transformation, indeed, as the CSPR does on supporting civic space and local civil society, then we are looking at a much more sophisticated and complex landscape. That cannot be captured simply by a supplier relationship or contracting relationship. One of the things that has stood out in the British Government's approach, over a couple of decades, I would argue, has been this insistence on the multifaceted role of civil society in development.¹⁴⁵

68. The lack of detail in the Civil Society Partnership Review (CSPR) is very disappointing, and particularly surprising given the numerous delays to its publication. As a result, whether it translates into an improved relationship between DFID and civil society cannot be judged from this document. The CSPR acknowledges the unique role and diversity of civil society in development. It is therefore important for DFID to take this forward into its day-to-day relationship with civil society and avoid allowing that relationship to become one of a consumer and suppliers; this would lose a lot of the nuance in the relationship and therefore the value that civil society brings in its diversity.

69. The omission of any explicit mention of the Sustainable Development Goals (SDGs) from the Civil Society Partnership Review is a serious one. It risks creating an impression that DFID is not focused on the SDGs; given that the Goals are still at an early stage of implementation, the Department's commitment to them cannot be restated enough. As the framework for development post-2015, the SDGs should have been used to frame both the CSPR and DFID's relationship with civil society organisations.

Programme Partnership Arrangements (PPAs)

70. While not explicitly laid out in the CSPR, one of the largest changes for CSOs coinciding with the review was the abolition of PPAs. PPAs were "longer-term agreements with civil society organisations", which provided unrestricted core funding to those organisations for three years at a time. DFID's own website states that "They achieved real results in terms of poverty reduction and provided good value for money (demonstrated through competitive selection)."¹⁴⁶ ICAI reviewed PPAs in 2013, giving DFID a Green/Amber score and concluded that:

144 Q242

145 Q244

146 Department for International Development, '[Programme Partnership Arrangements \(PPAs\)](#)', accessed 10 March 2017

PPAs are helping to drive innovation in the recipient organisations. In particular, they are improving the quality of performance management and accountability for results. We think it is likely that these changes will lead to improved results for intended beneficiaries, not just from PPA funding but across the CSOs' full range of activities.¹⁴⁷

ICAI did, however, identify some flaws in how DFID was carrying out the arrangements, and recommended improvements for the next round of PPAs.

71. On 2 July 2015, the then Secretary of State Rt Hon Justine Greening MP gave a speech at the Overseas Development Institute (ODI), in which she announced the CSPR. As part of that speech, she said, "I recognise that for those of you who currently get PPA funding this transitional period will create uncertainty. In recognition of this I have agreed to extend PPA funding and grants to the Think Tanks IDS, ODI, IIED and the Centre for Global Development by 9 months to end of next year."¹⁴⁸ She also stated that "This review will take place over the next 5 months" and that the extension "will give us the time we need to work out where we are going and be able to smoothly transition." Shortly after that speech, she wrote to the heads of all organisations which received PPAs, making a similar announcement—although DFID did not tell us when we asked how much detail that letter went into, such as whether the decision was final or what alternatives were being considered.¹⁴⁹ As we noted earlier, in both written and oral evidence DFID has asserted that this amounted to giving CSOs 18 months' notice that PPAs were ending as a funding mechanism.¹⁵⁰

72. Despite DFID's claim that it gave CSOs a lot of notice, there was plenty of ambiguity in the statement, and uncertainty around the future of PPAs continued for some time. In December 2015, Ben Jackson, the CEO of Bond, wrote an article in the Guardian in which he said that "DFID is looking at whether such funding [PPAs] should continue and if it does, how it should change."¹⁵¹ In January 2016, in oral evidence to us, Girish Menon, the Chief Executive of ActionAid UK, told us that "we also understand that the PPA may not be part of the DFID mechanism for supporting the civil society after the Civil Society Partnership Review. That is what we understand; it is not a confirmed decision."¹⁵² He had earlier said that this was being done "without [us] understanding what is driving the potential decision to move away from that",¹⁵³ and he urged any successor mechanism to be long-term, strategic and flexible. In DFID's own FAQ on the CSPR, designed for CSOs and published online in January 2016, in response to the question "Is DFID going to stop strategic (unrestricted) funding?" it said "We can't pre-empt the findings of the review. The review will consider the value and future of strategic funding alongside other funding mechanisms and partnerships."¹⁵⁴

147 Independent Commission for Aid Impact, [DFID's Support for Civil Society Organisations through Programme Partnership Arrangements](#) (May 2013)

148 Department for International Development, '[Changing world, changing aid: Where international development needs to go next](#)', accessed 10 March 2017

149 Department for International Development written evidence to the International Development Committee on The work of the Department for International Development ([WOR01](#)) HC 661, p 3

150 Q277

151 "[Will the government's review of civil society partnerships support change?](#)", The Guardian, 11 December 2015

152 Q94

153 Q88

154 Department for International Development, '[Civil Society Partnership Review—FAQs](#)', accessed 10 March 2017

73. Over the course of 2016 it became more apparent that the decision to end PPAs completely had been taken, but uncertainty over whether they would be replaced with a new mechanism for unrestricted core funding continued. We were told repeatedly by DFID that any successor mechanisms would be set out “clearly as part of the publication of the Civil Society Partnership Review.”¹⁵⁵ The CSPR does not contain a clear statement of any successor, perhaps due to its brevity and lack of detail, and DFID has not been able to answer our questions about whether the overall amount of money going to and through CSOs would be changing.¹⁵⁶

74. We have not been reassured that DFID gave proper support to CSOs during this period of uncertainty. Sir Mark Lowcock, DFID’s Permanent Secretary, told us that “At the same time [as the CSPR], the other major schemes were continuing and open for bidding. Then the Secretary of State, when she came in, took the decision that we needed to open a new different kind of scheme—the DFID Connect scheme—in order to promote collaboration and better collective effort to tackle certain neglected issues, some of which the Secretary of State has already talked about.”¹⁵⁷ However, it is apparent from the previous Secretary of State’s speech in July 2015 that the extension of PPAs was intended to cover CSOs until the funding streams to be announced in the CSPR had come on-line. As we noted earlier, at least one small CSO, Progressio, has had to close (after 75 years of operations) due to the loss of PPA funding and their inability to replace it.¹⁵⁸

75. We have also not been given a clear rationale for why DFID has chosen to end PPAs (and unrestricted core funding more generally), something which we would have expected in the CSPR. The Secretary of State told us that it had been set out by her predecessor, but added that “we need new funding instruments that better reflect how the world is changing, how civil society is changing, but also how we work with organisations on delivering results and priorities.” Therefore, she said that “There is an element of opening up the system, encouraging more competition and working in a much broader sense within civil society to encourage others to enter this space, whereas previously many of them felt excluded or not able to engage with us.”¹⁵⁹ The Permanent Secretary followed up by saying that “That is the core point. The PPAs were basically going to a small number of bigger organisations, and even for them in most cases the PPA resource was not most of what they were getting from the Department. They were getting a lot more money through the other schemes.”¹⁶⁰

76. Programme Partnership Arrangements (PPAs) were strategic, flexible and encouraged innovation; there is plenty of evidence of their effectiveness including a positive ICAI review. We have still not heard a compelling explanation from DFID as to why it has chosen to end PPAs entirely and to not replace them with any alternative mechanism for unrestricted core funding. We are convinced that smaller civil society organisations can still be engaged by DFID alongside the provision of unrestricted core funding to others. The loss of PPAs is likely to stifle innovation and to simply cause CSOs to cover their overheads through their bids to other funding streams. While we

155 See Department for International Development written evidence to the International Development Committee on The work of the Department for International Development ([WOR01](#)) HC 661, p 4, and House of Commons, Overseas Aid, Written question [43015](#), answered 21 July 2015

156 Qs 296–297

157 Q276

158 Progressio, ‘[Progressio to close after 75 years](#)’, accessed 27 February 2017

159 Q289 [Priti Patel]

160 Q289 [Mark Lowcock]

do not have the detail at this time to make a complete judgement, it is of the utmost importance that DFID's other funding streams, whilst maintaining accountability, are able to cover the sorts of activities which PPAs allowed and encouraged. *DFID must provide a clear and detailed explanation of why it feels that unrestricted core funding, and PPAs more specifically, is no longer an effective means of development. While it is doing that, we would strongly urge it to reconsider its decision on this matter.*

77. The manner in which the ending of Programme Partnership Arrangements (PPAs) was carried out by DFID was poor, characterised by uncertainty and evasiveness. The fact that no additional cover or support was provided to civil society when severe and unjustified delays to the CSPR occurred has caused problems for civil society organisations.

4 The direction of UK aid

DFID's strategic direction

The UK aid strategy

78. The 2015 UK aid strategy refocused UK aid onto “tackling global challenges in the national interest”.¹⁶¹ In line with this, UK aid would now be allocated in line with four strategic objectives: strengthening global peace, security and governance; strengthening resilience and response to crises; promoting global prosperity; and tackling extreme poverty and helping the world’s most vulnerable. We noted in our interim Report that this appeared to relegate poverty reduction to the last of four priorities.¹⁶² The Government disagreed in its response, arguing that the strategy “makes clear how reducing poverty and serving Britain’s national interest are inextricably linked—our ODA will achieve both goals together.”¹⁶³

79. From a communications standpoint, this approach makes some sense in demonstrating one of the many benefits of aid spending. As we have noted in para 8, and as witnesses including Save the Children¹⁶⁴ and International Alert¹⁶⁵ have stated, poverty reduction is in the UK’s national interest. We have been concerned about retaining the poverty reduction focus in development spending and the risk of this emphasis being lost in the national interest narrative. ODA allocation should not be based primarily upon the national interest—instead it should be based primarily upon poverty reduction—but this is the impression being created. This point came across strongly throughout the written evidence to this inquiry.¹⁶⁶ It is a particular risk with increased spending by other government departments which might extrapolate the national interest further than addressing the causes of extreme poverty like fragility and instability. ***We strongly reiterate our recommendation that poverty reduction should always be the primary purpose of any UK aid spending, and that this should be made explicit in all ODA programming.***

DFID's approach from late 2016

80. We have detected a shift in UK development strategy following the referendum vote to leave the European Union and the appointment of Rt Hon Priti Patel MP as Secretary of State for International Development. In a piece in the Daily Mail the Secretary of State said that aid money was being “stolen” and “wasted on inappropriate projects”.¹⁶⁷ When we asked her what she was referring to, she mentioned two projects whose funding she had suspended, one of which involved money “being spent to send activists on conferences

161 HM Treasury and Department for International Development, *UK aid: tackling global challenges in the national interest*, Cm 9163, November 2015

162 International Development Committee, Third Report of Session 2015–16, *UK aid: allocation of resources: interim report*, HC 927, incorporating HC 533, paras 8 and 13

163 International Development Committee, First Special Report of Session 2016–17, *UK aid: allocation of resources: interim report: Government Response to the Committee's Third Report of Session 2015–16*, HC 256, p 2

164 Save the Children (ACH20) para 1.4

165 International Alert (ACH23) p 6

166 For example, see Bond and the UK Aid Network (ACH06), Save the Children (ACH20), VSO (ACH32), Development Initiatives (ACH35)

167 “*My fury at our wasted foreign aid: International development secretary Priti Patel pledges a major overhaul of the £12billion budget*”, Daily Mail, 14 September 2016

around the world” and the other of which was “funding a cult in Malawi”¹⁶⁸ (and was uncovered through a BBC investigation).¹⁶⁹ Beyond these examples, which represented a small amount of funding, she could not put a figure or a percentage on the amount which she thought was being wasted.¹⁷⁰

81. **As we have laid out above, while we commend and support the Secretary of State’s focus on improving the quality of spending, we think that the level of wasteful spending in the Department is minimal.**¹⁷¹ *We would urge the Secretary of State to ensure that assessments of what is and is not wasteful spending are based on evidence and robust reviews.*

82. The other aspect of DFID’s strategy which has changed in tone since the EU referendum is the relationship between the aid budget and trade. Shortly after the new Secretary of State’s appointment, media reports claimed that she intended to “leverage” the aid budget to build new trade deals as the UK leaves the European Union.¹⁷² In oral evidence to us, she clarified:

The legislation is very clear in terms of trade, but that does not stop us continuing our work across departments in particular. I am very clear that, post the EU referendum, there are new, exciting opportunities and new partnerships that we can develop around the world, basically, which can strengthen further our national interest. Obviously, working with the Department for International Trade we have a global footprint; the Department for International Trade and the Foreign Office also have a global footprint, so it is about how we can bring our two teams together incountry to work much more strategically and look at some of the levers that we have as well, in terms of programmes and projects.¹⁷³

83. DFID published its new Economic Development Strategy in January 2017.¹⁷⁴ In the foreword to the strategy, the Secretary of State said that she is “raising the bar on our approach and ambition.” The strategy states that “Advancing economic development in the poorest countries is a hallmark of building Global Britain” and lays out 11 priorities to “support economic development overseas whilst benefitting the UK at home.” These include “Focusing on trade as an engine for poverty reduction”, “Making it easier for companies—including from the UK—to enter and invest in markets of the future”, and “Working with, and challenging, the City of London to become the ‘development finance hub of choice’”.

84. The UK untied all of its aid in 2001—stopping any aid which was conditional on it being used to procure goods or services from the UK. This was in line with, and even went beyond, a recommendation by the OECD Development Assistance Committee.¹⁷⁵ Evidence to our inquiry has welcomed the continued commitment by the UK to untied

168 Oral evidence taken on 14 September 2016, HC 661, Q1

169 *“Teachers Group: The cult-like group linked to a charity that gets UK aid”*, BBC, 2 August 2016

170 Oral evidence taken on 14 September 2016, HC 661, Qs 3–7

171 National Audit Office, *Department for International Development—Investigation into the Department’s approach to tackling fraud*, HC 1012

172 *“Britain to ‘leverage’ £11bn of foreign aid to build new trade deals after Brexit”*, The Telegraph, 31 July 2016

173 Oral evidence taken on 14 September 2016, HC 661, Q16

174 Department for International Development, *Economic Development Strategy: prosperity, poverty and meeting global challenges*, January 2017

175 OECD, *‘Untied aid’*, accessed 10 March 2017

aid.¹⁷⁶ With the focus on national interest, however, there is some concern among witnesses that UK aid could become implicitly tied—aid not given with a formal condition but either structured in such a way that it is inevitable, or with a strong expectation, that it will be used to procure goods or services from the UK. The Scotland Malawi Partnership told us that it fears that the focus on aid for the advancement of UK interests “could become a new form of implicitly tied aid.”¹⁷⁷ Development Initiatives urged us to examine closely the use of aid to create opportunities for UK companies, in light of continued commitments from the Government to keep UK aid untied.¹⁷⁸ When we asked how it would ensure it kept aid spending untied, DFID told us:

The government will continue to ensure that the primary objective of all ODA spend is the promotion of the economic development and welfare of developing countries, as required by the ODA criteria of the OECD-DAC. The government will also continue to ensure that all development assistance under the International Development Act will contribute to poverty reduction. The government’s 2015 manifesto included a clear commitment to keep aid untied.¹⁷⁹

85. We welcome a strong focus on economic development from DFID, which is an important aspect of a comprehensive approach to poverty reduction. While UK aid undoubtedly gives the UK a global leadership role and creates mutually beneficial partnerships which are in the national interest, it is important that UK aid spending continues to be completely untied, whether explicitly or implicitly. While it remains to be seen how it works in practice, language surrounding leveraging aid for trade and creating opportunities for UK companies and the City of London needs to be used cautiously, so as not to create an impression that aid is being given conditionally. We ask that DFID provides us with a full assessment of the current risk of UK aid becoming implicitly tied, and how it is mitigating those risks.

Other issues of strategy

Sustainable Development Goals (SDGs)

86. The SDGs were agreed in 2015 as a new framework for global development, and a set of targets for each country to hit by 2030. In our Report on *UK implementation of the Sustainable Development Goals* we highlighted the lack of a strategic approach to achievement of the goals, both domestically and abroad. We said:

the publication of DFID’s Single Departmental Plan, and the broader UK Aid Strategy, have provided little clarity on how the Department will support the implementation of the SDG agenda overseas. Although the SDGs (or ‘Global Goals’) are referenced in both documents, no clear link is drawn between specific Goals and the Government or DFID’s policy priorities.¹⁸⁰

176 For example, see Scotland Malawi Partnership ([ACH24](#)) and Development Initiatives ([ACH35](#))

177 Scotland Malawi Partnership ([ACH24](#)) p 1

178 Development Initiatives ([ACH35](#)) p 2

179 Department for International Development Annex A ([ACH38](#)) p 13

180 International Development Committee, First Report of Session 2016–17, [UK implementation of the Sustainable Development Goals](#), HC 103, para 104

As we noted earlier in this Report, we consider the omission of the SDGs from the CSPR to also be a serious one. The Secretary of State has asserted to us that the SDGs underpin everything that DFID does and that this does not need restating.¹⁸¹ Despite this, we think that the more explicitly DFID can link its work and priorities to the SDGs, the more strategic and effective its achievement of the Goals will be. *We look forward to seeing further the Government's plans for implementation of the Sustainable Development Goals both domestically and abroad, which should be published well in advance of the next High Level Political Forum in July, and to the recognition of the Goals in the new single departmental plans. We urge DFID to explicitly link its work to achievement of the Goals wherever possible.*

Human rights

87. SDG 16 is a new goal, which aims to “promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels”.¹⁸² The fragile and conflict-affected states, on which DFID is increasingly focused, tend to have poor human rights records. We were surprised that, despite this, the 2015 UK aid strategy did not mention human rights.¹⁸³ DFID told us that it “highlights a number of concrete commitments that contribute to the realisation of human rights”,¹⁸⁴ although this was not explicit in the strategy. Bond and the UK Aid Network wrote in written evidence that “All ODA spending needs to be bound together by a holistic theory of change for poverty reduction and the realisation of fundamental human rights.”¹⁸⁵ The Overseas Development Institute notes that “new thinking is needed on how to engage with the armed forces of governments that do not adhere to human rights standards: a crucial part of any strategy that seeks accountable partners in volatile regions.”¹⁸⁶ *DFID should be clear in how it aims to address human rights issues through its development work, especially in the difficult context of fragile and conflict-affected states. We urge it to include a greater focus on human rights in future strategy documents.*

DFID's capacity

Operational strategy

88. We have become increasingly concerned about the lack of emphasis on strategy within DFID at an operational level. From May 2016–January 2017 the Independent Commission for Aid Impact (ICAI) produced seven reports scrutinising DFID's work. All of these highlighted issues with DFID not being strategic:

- On violence against women and girls (VAWG), “DFID lacks clear strategies for scaling up its investments so as to draw on the specific context, problems, capacities and opportunities in each country” and does not “have an explicit strategy for its VAWG influencing work”.¹⁸⁷

181 Q284

182 UN, ‘[Sustainable Development Goal 16](#)’, accessed 10 March 2017

183 HM Treasury and Department for International Development, *UK aid: tackling global challenges in the national interest*, Cm 9163, November 2015

184 Department for International Development Annex A ([ACH38](#)) p 6

185 Bond and the UK Aid Network ([ACH06](#)) para 37

186 Overseas Development Institute ([ACH14](#)) para 20

187 Independent Commission for Aid Impact, [DFID's Efforts to Eliminate Violence Against Women and Girls](#) (May 2016)

- On water, sanitation and hygiene, “DFID does not have a coherent strategy for addressing sustainability”, which is arguably the most important aspect of such programmes.¹⁸⁸
- On managing fiduciary risk in conflict-affected environments, DFID’s efforts “are not yet anchored in a fully comprehensive risk management system—although this is under development—that ensures consistency of approach, gives clarity on risk appetite and provides a strategic overview of fiduciary risks across its high risk country portfolio.”¹⁸⁹
- On tackling tax avoidance and evasion, “A lack of clear objectives, explicit strategy and monitoring arrangements for its [international] influencing has also limited DFID’s ability to learn lessons and has led to over-optimistic assessments of its results.”¹⁹⁰
- On managing exit and transition, “DFID does not consistently prepare exit or transition plans and strategies.” In three of the four transitions DFID has done, it “did not articulate clearly what this new partnership might look like or how it would be developed”, leading ICAI to recommend that “it should articulate clearer objectives at the strategic and operational levels and make more consistent use of implementation plans.” Furthermore, DFID has allowed its strategy for middle-income countries to lapse.¹⁹¹
- On support to marginalised girls’ education, “DFID does not have a coherent strategy for addressing girls’ marginalisation in education, and its various activities are not well joined up.”¹⁹²
- On cash transfer programmes, “DFID has committed to strengthening national cash transfer systems but lacks a strategic approach” and “There is also no clear strategy underlying the size or conditions of DFID’s financial contributions.”¹⁹³

89. DFID has defended itself against these criticisms, and has argued that strategies can often be unhelpful. In oral evidence on ICAI’s review on cash transfers, Nick Dyer, Director General of Policy and Global Programmes at DFID, told us:

when we write strategies in DFID they get out of date very quickly. When I became the director of policy, back in 2009, DFID had 49 strategies, and no one had read them all; even I had not read them all. No one was reading them because they would get out of date very, very quickly. Policies change, Ministers have different views, and the evidence gets out of date very quickly; my own view is strategies get out of date very quickly. However, what we do need to ensure is that we have good guidance, that we keep that

188 Independent Commission for Aid Impact, [Assessing DFID’s Results in Water, Sanitation and Hygiene](#) (May 2016)

189 Independent Commission for Aid Impact, [DFID’s approach to managing fiduciary risk in conflict-affected environments](#) (August 2016)

190 Independent Commission for Aid Impact, [UK aid’s contribution to tackling tax avoidance and evasion](#) (September 2016)

191 Independent Commission for Aid Impact, [When aid relationships change: DFID’s approach to managing exit and transition in its development partnerships](#) (November 2016)

192 Independent Commission for Aid Impact, [Accessing, staying and succeeding in basic education—UK aid’s support to marginalised girls](#) (December 2016)

193 Independent Commission for Aid Impact, [The effects of DFID’s cash transfer programmes on poverty and vulnerability](#) (January 2017)

guidance up to date, that we are investing in the evidence that tells us what works and what does not, and we are making that available to the staff who are involved with these schemes, like the community of practice.¹⁹⁴

In the context of that review and in response to his comments Dr Alison Evans, Chief Commissioner of ICAI, stated on Twitter that “We are not suggesting lengthy strategy docs but clear direction & expectations for #UKAid financial support for [cash transfers]”.¹⁹⁵

90. Taking all the evidence together, we remain concerned about the lack of strategic direction and management within the Department. While DFID is generally doing good work, it is not necessarily doing so in a consistent and coherent manner due to the lack of strategic guidance provided at an operational level. We understand that there is a fine line between prescription and the flexibility which DFID needs to work effectively, but believe that DFID should be doing better in this regard. We urge DFID to set a clear strategic direction in all of its policy areas based on its evidence on what works and its objectives in that policy area. Such strategies should be short and flexible, to allow teams to adapt them to specific circumstances and to allow them to be easily updated as the evidence evolves, and should be published to allow scrutiny against DFID’s objectives.

Administrative capacity

91. A number of witnesses to this inquiry have raised the issue of DFID’s administrative capacity as a potential cause of some of the other problems which have been highlighted. We are similarly concerned that its capacity could be affecting the effectiveness of UK aid. The number of DFID staff has not kept pace with increases in its budget to achieve the 0.7% target. In 2009–10, DFID had over 2,500 staff and a budget of £6.7 billion (around £7.34 billion in real terms in 2015–16 prices).¹⁹⁶ By 2015–16, this budget had risen to £9.9 billion (a nearly 35% increase), but staff numbers had only risen to an average of 2,852 (a less than 15% increase).¹⁹⁷

92. Bond and the UK Aid Network stated that “The drive for efficiency is often at odds with the need for continued and improved accountability, effectiveness and flexibility in managing the scale up.”¹⁹⁸ VSO argued that “The increase of expenditure from DFID without a proportionate increase in administrative resources, will most likely result in much larger contracts being dispersed to fewer organisations.”¹⁹⁹ International Alert pointed out that “DFID’s justified desire to increasingly fund local CSOs is also at odds with growth in large grants as it would require a higher administrative burden. It is hard to consider how DFID can both increase funds to local civil society organisations (which is welcome), and administer larger grants within its current human resourcing.”²⁰⁰ Coffey International Development, a private sector contractor, similarly said:

194 Oral evidence taken before the International Development Committee Sub-Committee on the Work of the Independent Commission for Aid Impact on 22 February 2017, HC [1008](#), Q33

195 Twitter, ‘[Tweet by Alison Evans \(@Alison_ICAI\) on 22 February 2017](#)’, accessed 10 March 2017

196 Department for International Development, *DFID in 2009–10: Response to the International Development (Reporting and Transparency) Act 2006*, July 2010

197 Department for International Development, *Annual Report and Accounts 2015–16*, HC [329](#)

198 Bond and the UK Aid Network ([ACH06](#)) para 14

199 VSO ([ACH32](#)) para 10

200 International Alert ([ACH23](#)) p 2

DFID's division of spending between programme costs and administrative/management costs is too skewed towards programme spending. This limits the department's ability to manage and oversee programmes. It may also prove more costly to DFID, as activities where DFID staff have the comparative advantage are passed onto programmes so that their costs fall within programme (instead of administrative) spending.²⁰¹

93. Adam Smith International told us:

Another Treasury rule which requires removal or adjustment is the restriction on DFID administration costs which forces DFID to direct such large funds to multilateral bodies with higher administration costs as it cannot employ enough staff to implement its programmes directly. For example in Afghanistan DFID is apparently increasing the already high percentage of funding that goes to multilaterals. This is largely driven by a reduction in UK based staff deployed in Afghanistan, meaning that there are insufficient resources to manage bilateral programmes.²⁰²

This is also something we are looking at in our inquiry into *DFID's use of contractors*,²⁰³ as the lack of DFID capacity to properly administer and oversee its contracts itself could be leading to it relying too much on private contractors to do that work on its behalf.

94. DFID's administrative capacity appears to have fallen below what is required to manage its increasing budget optimally. The result of this has been that DFID has become more reliant on larger external organisations, including big multilaterals and private contractors, to the exclusion of smaller organisations and DFID being able to properly oversee its own spending. As we noted earlier in this Report, this is also a factor in the pressures related to spending to reach the 0.7% target. DFID would be more effective if it rebalanced its budget more towards administration. This would allow it to better manage its own budget and make better use of small, and often more effective, organisations and programmes. We recommend that DFID spends more of its budget on its own administration and increases its staffing capacity. If this requires a relaxation of Treasury rules, we would strongly urge the Treasury to do so, considering DFID's unique budgetary position.

Allocation of ODA across Government

95. The allocation of ODA between different departments was done through a competitive process run by the Treasury, as part of the Comprehensive Spending Review. This was the first time that this was done, and was aimed to "ensure ODA spending represents high value for money." These allocations were done in line with, and to achieve, the four objectives laid out in the UK aid strategy, which itself was a joint Treasury-DFID document. DFID played a quality assurance role in the competitive allocation process in ensuring that proposals from various departments would be ODA-compliant.²⁰⁴

201 Coffey International Development ([ACH26](#)) para 17

202 Adam Smith International ([ACH25](#)) para 1.25

203 International Development Committee, '[DFID's use of contractors inquiry](#)', accessed 10 March 2017

204 Independent Commission for Aid Impact, [The 2015 ODA allocation process](#) (December 2015), para 3.4

96. Bond and the UK Aid Network told us:

Clarity on strategic planning, reporting and accountability for delivery across government departments is needed. Civil society can support joint working. This will require a culture shift across Whitehall towards more dialogue between departments and joint delivery. This could be undermined if the Treasury continues to run competitive bidding processes for ODA.²⁰⁵

Save the Children similarly commented that “Without [DFID’s] oversight, there is a danger that the market driven bidding process will lead to a disparate approach, not based on agreed strategy.”²⁰⁶

97. The results of the competitive process have not been made clear, beyond general and aggregated amounts of ODA that would not be spent by DFID.²⁰⁷ Details of spend by other government departments are only made clearly available retrospectively, in the Statistics on International Development each year.²⁰⁸ This is in stark contrast to the documents which are made available in DFID’s own competitive processes. We have already mentioned in this Report concerns about the priority which departments other than DFID place on poverty reduction, and this is also a concern within the competitive process. Without clear results from that process, it is difficult to conclude whether there is proper strategic oversight of all UK ODA spending and on whether it is being allocated most effectively.

98. The spending of ODA across government departments needs to be coherent and collaborative, with consistent scrutiny, in order to be effective in achieving their aims. Allocations should be based firstly on effectiveness in reducing poverty, with the objectives in the UK aid strategy forming the secondary considerations. We will be exploring these issues in more detail in our inquiry into UK aid: other government departments, including looking at options for how UK aid could best be allocated between departments. *In order to ensure coherence across UK aid spending, and a focus on poverty reduction, DFID should have a formal oversight and coordination role for of all UK aid spending.*

205 Bond and the UK Aid Network ([ACH06](#)) para 37

206 Save the Children ([ACH20](#)) para 6.5

207 HM Treasury, Spending Review and the Autumn Statement 2015, [Cm 9162](#), November 2015, p 85

208 Department for International Development, '[Statistics at DFID](#)', accessed 10 March 2017

Conclusions and recommendations

The UK development landscape

1. We agree with our predecessor committee in supporting the 0.7% commitment. We acknowledge and understand concern that aid spending is protected whilst domestic spending is not. We have already set out that we think that aid spending is in the national interest. It is right that every penny of the 0.7% is spent as effectively as possible, to tackle the harshest examples of poverty, humanitarian need, and causes of instability, and we regard it as our primary function as a Committee to scrutinise spending to ensure it achieves maximum benefit for its beneficiaries and the UK taxpayer. The examples we have seen of less effective spending do not represent a considerable portion of, nor are they an inevitable consequence of, the 0.7% target. (Paragraph 12)
2. We have not seen evidence that poor or wasteful spending is any more of a problem for DFID than any other government department or other international donors; instead we would assess it to be effective in its spending. (Paragraph 13)
3. *We think that DFID should explore the idea of creating a mechanism for carrying funds forward which could then support its work when the need arose.* (Paragraph 14)
4. Aid and development spending must truly follow need, and we have no doubt that there is sufficient need in the world for the commitment to the 0.7% target to be necessary. If all countries were meeting this commitment the chances of ultimately eliminating development need would be much greater; the fact that the UK hits the target gives the Government leverage to convince other countries to do the same. The inaction of others does not dissipate the UK's responsibility to meet the target. This is both morally right and in our national interest. The response to many of the criticisms of aid spending is for DFID to continue to strive to spend better, not for it to spend less. It is our challenge to the Secretary of State to lead the Department in a way which displays the value for money and impact of good UK aid spending. (Paragraph 18)
5. We do not believe that abolishing DFID as an independent department would lead to any improvement in the quality of UK aid spending. The effect of merging DFID into another department would be to dilute its expertise as a specialist development department. The only outcome of such a move would be to diminish the focus placed on poverty reduction and development in UK aid spending, as the majority of ODA would become subject to more complex objectives in another department. This would heavily weaken its purpose and effectiveness, almost certainly outweighing any efficiencies or savings. We therefore strongly welcome the Secretary of State's commitment to maintaining DFID as an independent department, and expect this to remain so in the long-term future. (Paragraph 23)
6. We remain concerned about the focus and capacity of other government departments spending ODA, and are looking in depth at these issues in our inquiry into UK aid: other government departments. (Paragraph 24)

7. DFID works best when it works flexibly, especially in the fragile and conflict-affected states on which it now focuses. The strict rules and targets surrounding budget support, 'non-fiscal' spending, and Payment by Results can be damaging to effective development and can lead to perverse outcomes. *While DFID may assess all of the targets and rules surrounding budget support, 'non-fiscal' spending, and Payment by Results to be correct right now, it should keep them under constant review and be willing to relax them when appropriate, in order to have the flexibility required to spend effectively.* (Paragraph 29)
8. We will continue to fulfil our responsibility for the robust scrutiny of aid and development expenditure, including cases brought to our attention in evidence and media coverage. We do this because we recognise the need for and value of such spending. UK aid and international development is a subject meriting well-informed public debate supported by accurate and factual journalism. We will continue to work alongside the Independent Commission for Aid Impact and the National Audit Office, to pursue robust and fair scrutiny. The media has a responsibility to be accurate and contextual given its role in influencing public understanding and opinion. (Paragraph 32)
9. While there has been some improvement, we still do not believe that DFID is robust in its communications and managing reputational risk. The creation of its 'DFID in the news' page is a positive step in this regard but, without proactively advertising it, we think that it is unlikely to gain much exposure or traction with the general public. *We urge DFID to continue improving its communications and to be more proactive in publicising when it is doing good work and achieving life-changing impact around the world, with the Secretary of State and ministers leading proactively in this regard.* (Paragraph 36)
10. DFID's decisions as to the allocation of resources should be based on evidence rather than media coverage. We are concerned that it does not have a clearly set reputational risk appetite, which leads it to avoid or close down innovative and effective programmes which might draw negative headlines. This is a particularly important issue as other government departments spend more of the aid budget, which creates additional reputational risks. *We recommend that DFID produces clear guidance on how to manage reputational risk, the level of its reputational risk appetite, and how to respond to reputational risk issues in the aid budget across the Government. Part of this guidance should include how the performance of a programme should be reviewed if it receives negative media attention before any decision is taken as to its closure.* (Paragraph 37)

The development reviews

11. The numerous delays to the development reviews have undoubtedly had grave effects on a number of organisations and, we fear, on the quality of some programming. The low level of detail in the reviews does not justify such substantial delays. We understand that the effects of the EU referendum result and the different approach of a new Secretary of State necessitated some changes. However, uncertainty surrounding the EU referendum was potentially foreseeable and should have motivated DFID to do everything it could to publish the reviews prior to the

referendum. The fact that it did not is deeply regrettable and caused problems for some civil society organisations. We have not seen any evidence that the delays after the referendum were related to any detailed thinking about the implications of the referendum result for the UK development agenda. (Paragraph 42)

12. We are concerned that, in the development reviews, DFID has not displayed whether it is thinking strategically in terms of allocations between bilateral and multilateral budgets. We are left to assume that this was done during the coherence phase, but in the absence of evidence to the contrary we can only conclude that the balance between bilateral and multilateral spending in DFID is arbitrary. *We strongly reiterate our previous recommendation that we need much more detail from DFID as to how it strategically sets the balance between bilateral and multilateral spending. We would also like to see its assessment of the respective effectiveness of different methods of delivery and the criteria that it uses to make case-by-case judgements.* (Paragraph 45)
13. The lack of detail in the Bilateral Development Review is disappointing. Even where DFID has committed to specific actions, it is unclear how it plans to take this forward. While DFID's thematic priorities are now well-stated, it is difficult to come to a conclusion on how well it is making bilateral allocation decisions, without better information on how it is actually making those decisions. We are concerned that this displays a lack of strategy in how DFID is doing so and that DFID is now providing less information than it has in the past about its spending decisions, priorities and plans. (Paragraph 50)
14. *DFID should always tend towards complete openness and publication of as many documents as possible. The non-publication of new country operational plans, the country poverty reduction diagnostics, and inclusive growth diagnostics runs counter to this principle. DFID should publish as many of these documents as possible for its country programmes by the start of the summer parliamentary recess. If necessary, for confidentiality reasons, it should redact any sensitive material but produce substantial versions which can be published. DFID should also publish an updated list of its priority countries, with long-term spending plans for each.* (Paragraph 51)
15. *We reiterate our previous recommendation that DFID should publish more complete details of its definition of fragility and specific information about how its list of fragile states and regions has been determined, including details of how the different categories of fragility will inform allocation decisions. We expect this information to be forthcoming and stress that a statement that DFID combines scores from a number of data sources is not a statement of methodology nor is it the information we are asking for and were promised. Considering the clear, publicly available and considered methodology behind the OECD's fragility framework, we see no reason why DFID should not align with other donors and use it.* (Paragraph 53)
16. *We expect the new country operational plans to include objectives for DFID's work with the multilateral system in each country.* (Paragraph 56)
17. We welcome the improvements that have been made to the multilateral review process after the 2011 Multilateral Aid Review, although we would have appreciated more detail on how the review will influence spending decisions. At present, we are

not convinced that DFID is strategic in how it decides which multilaterals to use and how. We also remain concerned about whether the Multilateral Development Review is able to take full account of the standard-setting and more qualitative functions of multilateral partners. *In its response to this Report, DFID should lay out in detail how it decides when and where to put money through multilaterals, including between different multilaterals, and how this process is informed by the results of the Multilateral Development Review.* (Paragraph 62)

18. The use of Performance Agreements has the great potential to drive improvements in DFID's multilateral partners and the multilateral system as a whole. Performance Agreements need to be used carefully, though, so as not to impose practices like Payment by Results, which might create perverse outcomes, on multilateral agencies. *In particular, DFID should not require multilateral partners to implement or increase their usage of Payment by Results without a stronger evidence base that it leads to better development outcomes.* (Paragraph 63)
19. We welcome DFID's announcement of a Small Charities Challenge Fund, following previous recommendations by this Committee. We look forward to seeing how it goes about providing further support to small charities. *We also support the approach that DFID is taking through the Amplify programme, and strongly urge it to consider how it might adapt and use this model to support smaller local CSOs for programming at country office level.* (Paragraph 65)
20. The lack of detail in the Civil Society Partnership Review (CSPR) is very disappointing, and particularly surprising given the numerous delays to its publication. As a result, whether it translates into an improved relationship between DFID and civil society cannot be judged from this document. The CSPR acknowledges the unique role and diversity of civil society in development. It is therefore important for DFID to take this forward into its day-to-day relationship with civil society and avoid allowing that relationship to become one of a consumer and suppliers; this would lose a lot of the nuance in the relationship and therefore the value that civil society brings in its diversity. (Paragraph 68)
21. The omission of any explicit mention of the Sustainable Development Goals (SDGs) from the Civil Society Partnership Review is a serious one. It risks creating an impression that DFID is not focused on the SDGs; given that the Goals are still at an early stage of implementation, the Department's commitment to them cannot be restated enough. As the framework for development post-2015, the SDGs should have been used to frame both the CSPR and DFID's relationship with civil society organisations. (Paragraph 69)
22. Programme Partnership Arrangements (PPAs) were strategic, flexible and encouraged innovation; there is plenty of evidence of their effectiveness including a positive ICAI review. We have still not heard a compelling explanation from DFID as to why it has chosen to end PPAs entirely and to not replace them with any alternative mechanism for unrestricted core funding. We are convinced that smaller civil society organisations can still be engaged by DFID alongside the provision of unrestricted core funding to others. The loss of PPAs is likely to stifle innovation and to simply cause CSOs to cover their overheads through their bids to other funding streams. While we do not have the detail at this time to make a complete

judgement, it is of the utmost importance that DFID's other funding streams, whilst maintaining accountability, are able to cover the sorts of activities which PPAs allowed and encouraged. *DFID must provide a clear and detailed explanation of why it feels that unrestricted core funding, and PPAs more specifically, is no longer an effective means of development. While it is doing that, we would strongly urge it to reconsider its decision on this matter.* (Paragraph 76)

23. The manner in which the ending of Programme Partnership Arrangements (PPAs) was carried out by DFID was poor, characterised by uncertainty and evasiveness. The fact that no additional cover or support was provided to civil society when severe and unjustified delays to the CSPR occurred has caused problems for civil society organisations. (Paragraph 77)

The direction of UK aid

24. *We strongly reiterate our recommendation that poverty reduction should always be the primary purpose of any UK aid spending, and that this should be made explicit in all ODA programming.* (Paragraph 79)
25. As we have laid out above, while we commend and support the Secretary of State's focus on improving the quality of spending, we think that the level of wasteful spending in the Department is minimal. *We would urge the Secretary of State to ensure that assessments of what is and is not wasteful spending are based on evidence and robust reviews.* (Paragraph 81)
26. We welcome a strong focus on economic development from DFID, which is an important aspect of a comprehensive approach to poverty reduction. While UK aid undoubtedly gives the UK a global leadership role and creates mutually beneficial partnerships which are in the national interest, it is important that UK aid spending continues to be completely untied, whether explicitly or implicitly. While it remains to be seen how it works in practice, language surrounding leveraging aid for trade and creating opportunities for UK companies and the City of London needs to be used cautiously, so as not to create an impression that aid is being given conditionally. *We ask that DFID provides us with a full assessment of the current risk of UK aid becoming implicitly tied, and how it is mitigating those risks.* (Paragraph 85)
27. *We look forward to seeing further the Government's plans for implementation of the Sustainable Development Goals both domestically and abroad, which should be published well in advance of the next High Level Political Forum in July, and to the recognition of the Goals in the new single departmental plans. We urge DFID to explicitly link its work to achievement of the Goals wherever possible.* (Paragraph 86)
28. *DFID should be clear in how it aims to address human rights issues through its development work, especially in the difficult context of fragile and conflict-affected states. We urge it to include a greater focus on human rights in future strategy documents.* (Paragraph 87)
29. Taking all the evidence together, we remain concerned about the lack of strategic direction and management within the Department. While DFID is generally doing good work, it is not necessarily doing so in a consistent and coherent manner due

to the lack of strategic guidance provided at an operational level. We understand that there is a fine line between prescription and the flexibility which DFID needs to work effectively, but believe that DFID should be doing better in this regard. *We urge DFID to set a clear strategic direction in all of its policy areas based on its evidence on what works and its objectives in that policy area. Such strategies should be short and flexible, to allow teams to adapt them to specific circumstances and to allow them to be easily updated as the evidence evolves, and should be published to allow scrutiny against DFID's objectives.* (Paragraph 90)

30. DFID's administrative capacity appears to have fallen below what is required to manage its increasing budget optimally. The result of this has been that DFID has become more reliant on larger external organisations, including big multilaterals and private contractors, to the exclusion of smaller organisations and DFID being able to properly oversee its own spending. As we noted earlier in this Report, this is also a factor in the pressures related to spending to reach the 0.7% target. DFID would be more effective if it rebalanced its budget more towards administration. This would allow it to better manage its own budget and make better use of small, and often more effective, organisations and programmes. *We recommend that DFID spends more of its budget on its own administration and increases its staffing capacity. If this requires a relaxation of Treasury rules, we would strongly urge the Treasury to do so, considering DFID's unique budgetary position.* (Paragraph 94)
31. The spending of ODA across government departments needs to be coherent and collaborative, with consistent scrutiny, in order to be effective in achieving their aims. Allocations should be based firstly on effectiveness in reducing poverty, with the objectives in the UK aid strategy forming the secondary considerations. We will be exploring these issues in more detail in our inquiry into UK aid: other government departments, including looking at options for how UK aid could best be allocated between departments. *In order to ensure coherence across UK aid spending, and a focus on poverty reduction, DFID should have a formal oversight and coordination role for of all UK aid spending.* (Paragraph 98)

Formal Minutes

Tuesday 21 March 2017

Members present:

Stephen Twigg, in the Chair

Dr Lisa Cameron	Jeremy Lefroy
Stephen Doughty	Wendy Morton
Pauline Latham OBE	Paul Scully

Draft Report (*UK aid: allocation of resources*), proposed by the Chair, brought up and read.

Ordered, That the draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 98 read and agreed to.

Summary agreed to.

Resolved, That the Report be the Seventh Report of the Committee to the House.

Ordered, That the Chair make the Report to the House.

Ordered, That embargoed copies of the Report be made available (Standing Order No. 134).

[Adjourned till Monday 27 March at 5.00 p.m.]

Witnesses

The following witnesses gave evidence. Transcripts can be viewed on the [inquiry publications page](#) of the Committee's website.

Tuesday 8 December 2015

Question number

Mark Lowcock, Permanent Secretary, and **Anna Wechsberg**, Director of Strategy, Department for International Development

[Q1–58](#)

Tuesday 19 January 2016

Larry Attree, Head of Policy, Saferworld, **Harpinder Collacott**, Executive Director, Development Initiatives, and **Julian Egan**, Head of Advocacy, International Alert

[Q59–107](#)

Tuesday 9 February 2016

Brenda Killen, Deputy Director, Development Co-operation Directorate, Organisation for Economic Co-operation and Development, **Dr Paul Clist**, Lecturer in Development Economics, University of East Anglia, **Simon Gill**, Director, Budget Strengthening Initiative, Overseas Development Institute, and **Ben Jackson**, Chief Executive, Bond

[Q108–158](#)

Tuesday 22 November 2016

Kathleen Spencer Chapman, Bond, **Dorcas Erskine**, ActionAid, **Martha Mackenzie**, Save the Children, **Danny Sriskandarajah**, Civicus, **Polly Gillingham**, DAI Europe, **Tonja Schmidt**, Action for Global Health, **Ruth Jackson**, Oxfam, **Hayley Cull**, Unicef UK, **Diana Good**, Specialist Adviser, **Simon Maxwell**, Specialist Adviser

[Q240–272](#)

Monday 19 December 2016

Rt Hon Priti Patel MP, Secretary of State, and **Mark Lowcock**, Permanent Secretary, Department for International Development

[Q274–361](#)

Published written evidence

The following written evidence was received and can be viewed on the [inquiry publications page](#) of the Committee's website.

A numbers are generated by the evidence processing system and so may not be complete.

- 1 Action Against Hunger ([ACH0027](#))
- 2 ActionAid ([ACH0034](#))
- 3 Adam Smith International ([ACH0025](#))
- 4 AgDevCo ([ACH0003](#))
- 5 Anti-Slavery International ([ACH0018](#))
- 6 Bond - UK membership body of international development NGOs; and UK Aid Network ([ACH0006](#))
- 7 Bond Disability and Development Group ([ACH0008](#))
- 8 BOND Disability and Development Group ([ACH0039](#))
- 9 CAFOD ([ACH0012](#))
- 10 Campaign for Science and Engineering ([ACH0029](#))
- 11 Coffey International Development Ltd ([ACH0026](#))
- 12 conscience: taxes for peace not war ([ACH0009](#))
- 13 Crown Agents ([ACH0016](#))
- 14 DAI Europe ([ACH0022](#))
- 15 Department for International Development ([ACH0033](#))
- 16 Department for International Development Annex A ([ACH0038](#))
- 17 Department for International Development Annex B ([ACH0042](#))
- 18 Department for International Development Annex C ([ACH0044](#))
- 19 Development Initiatives ([ACH0035](#))
- 20 Dr Paul Clist ([ACH0002](#))
- 21 Institute of Development Studies ([ACH0028](#))
- 22 International Alert ([ACH0023](#))
- 23 International Synergies Limited ([ACH0011](#))
- 24 Malaria Consortium ([ACH0040](#))
- 25 Marie Stopes International ([ACH0021](#))
- 26 Mott MacDonald ([ACH0017](#))
- 27 Mr. Jie Sheng Li ([ACH0001](#))
- 28 OECD Development Cooperation Directorate ([ACH0031](#))
- 29 Overseas Development Institute ([ACH0014](#))
- 30 Plan UK (on behalf of the UK Action for Global Health network) ([ACH0013](#))
- 31 Population Matters ([ACH0036](#))
- 32 Prof Jonathan Fisher, Senior Lecturer in African Politics, University of Birmingham ([ACH0030](#))

- 33 RESULTS UK ([ACH0007](#))
- 34 Save the Children ([ACH0020](#))
- 35 Scotland Malawi Partnership ([ACH0024](#))
- 36 The International Committee of the Red Cross ([ACH0037](#))
- 37 THET (The Tropical Health and Education Trust) ([ACH0005](#))
- 38 UNDP ([ACH0041](#))
- 39 VSO ([ACH0032](#))
- 40 World Vision UK ([ACH0004](#))

List of Reports from the Committee during the current Parliament

All publications from the Committee are available on the [publications page](#) of the Committee's website.

The reference number of the Government's response to each Report is printed in brackets after the HC printing number.

Session 2016–17

First Report	UK implementation of the Sustainable Development Goals	HC 103
Second Report	DFID's programme in Nigeria	HC 110
Third Report	The use of UK-manufactured arms in Yemen: First Joint Report of the Business, Innovation and Skills and International Development Committees of Session 2016–17	HC 678 (CM 9349)
Fourth Report	Tackling corruption overseas	HC 111
Fifth Report	Fragility and development in the Democratic Republic of Congo	HC 99
Sixth Report	Independence of the Tailored Review of ICAI	HC 1089
First Special Report	UK aid: allocation of resources: interim report: Government Response to the Committee's Third Report of Session 2015–16	HC 256
Second Special Report	Crisis in Yemen: Government Response to the Committee's Fourth Report of Session 2015–16	HC 557
Third Special Report	The World Humanitarian Summit: priorities for reform: Government Response to the Committee's Fifth Report of Session 2015–16	HC 556
Fourth Special Report	UK implementation of the Sustainable Development Goals: Government Response to the Committee's First Report of Session 2016–17	HC 673
Fifth Special Report	DFID's programme in Nigeria: Government Response to the Committee's Second Report of Session 2016–17	HC 735
Sixth Special Report	Tackling corruption overseas: Government Response to the Committee's Fourth Report of Session 2016–17	HC 911
Seventh Special Report	Conduct of Adam Smith International	HC 939

Session 2015–16

First Report	Syrian refugee crisis	HC 339
Second Report	Ebola: Responses to a public health emergency	HC 338
Third Report	UK aid: Allocation of resources: interim report	HC 927
Fourth Report	Crisis in Yemen	HC 532
Fifth Report	The World Humanitarian Summit: priorities for reform	HC 675
First Special Report	The Future of UK Development Co-operation: Phase 2: Beyond Aid: Government Response to the Committee's Tenth Report of Session 2014–15	HC 339
Second Special Report	Jobs and Livelihoods: Government Response to the Committee's Twelfth Report of Session 2014–15	HC 421
Third Special Report	DFID's bilateral programme in Nepal: Government Response to the Committee's Fourteenth Report of Session 2014–15	HC 422
Fourth Special Report	Department for International Development's Performance in 2013–14: the Departmental Annual Report 2013–14: Government Response to the Committee's Fourteenth Report of Session 2014–15	HC 420
Fifth Special Report	Syrian refugee crisis: Government Response to the Committee's First Report of Session 2015–16	HC 902
Sixth Special Report	Ebola: Responses to a public health emergency: Government Response to the Committee's Second Report of Session 2015–16	HC 946