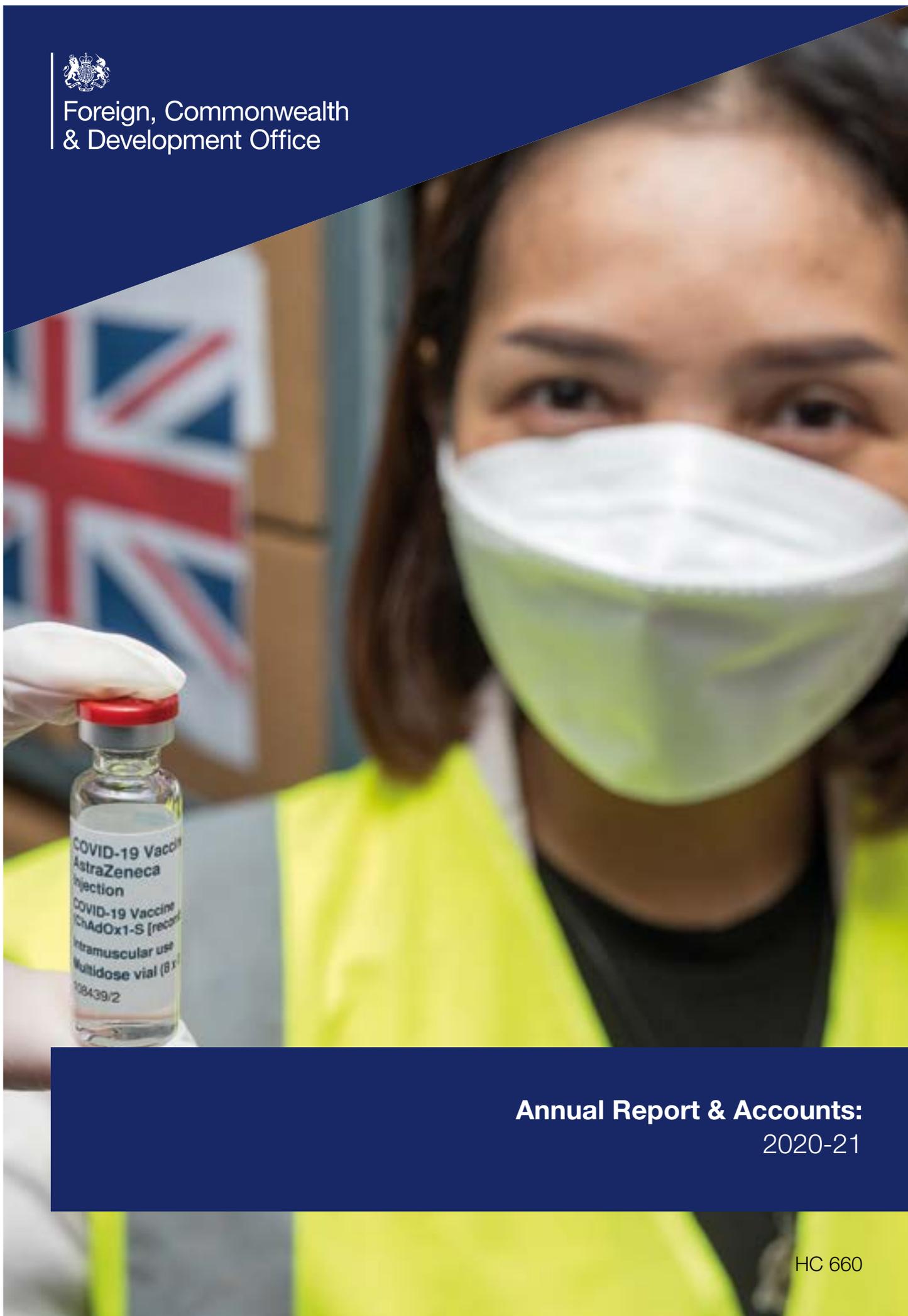




Foreign, Commonwealth  
& Development Office



**Annual Report & Accounts:**  
2020-21





Foreign, Commonwealth  
& Development Office

# **Annual Report & Accounts:** 2020-21

Annual Report presented to Parliament pursuant to section 1 of the International Development (Reporting and Transparency) Act 2006.

Accounts presented to the House of Commons pursuant to section 6(4) of the Government Resources and Accounts Act 2000 Accounts presented to the House of Lords by Command of Her Majesty Ordered by the House of Commons to be printed on 22nd September 2021.

FCDO: © Crown

Copyright 2021

This publication is licensed under the terms of the Open Government Licence v3.0 except where otherwise stated. To view this licence, visit <http://www.nationalarchives.gov.uk/doc/open-government-licence/version/3/>

Where we have identified any third-party copyright information you will need to obtain permission from the copyright holders concerned. This publication is available at <https://www.gov.uk/official-documents>

Any enquiries regarding this publication should be sent to the following address: FCDO ARA, King Charles St, Whitehall, London SW1A 2AH, or via email: [enquiry@fcdo.gov.uk](mailto:enquiry@fcdo.gov.uk)

This is part of a series of departmental publications which, along with the Main Estimates 2020-21 and the document Public Expenditure: Statistical Analyses 2019, present the government's outturn for 2020-21 and planned expenditure for 2021-22.

ISBN 978-1-5286-2850

E – E02660127

Printed on paper containing 75% recycled fibre content minimum.

Printed in the UK by HH Global Limited Group on behalf of the Controller of Her Majesty's Stationery Office.

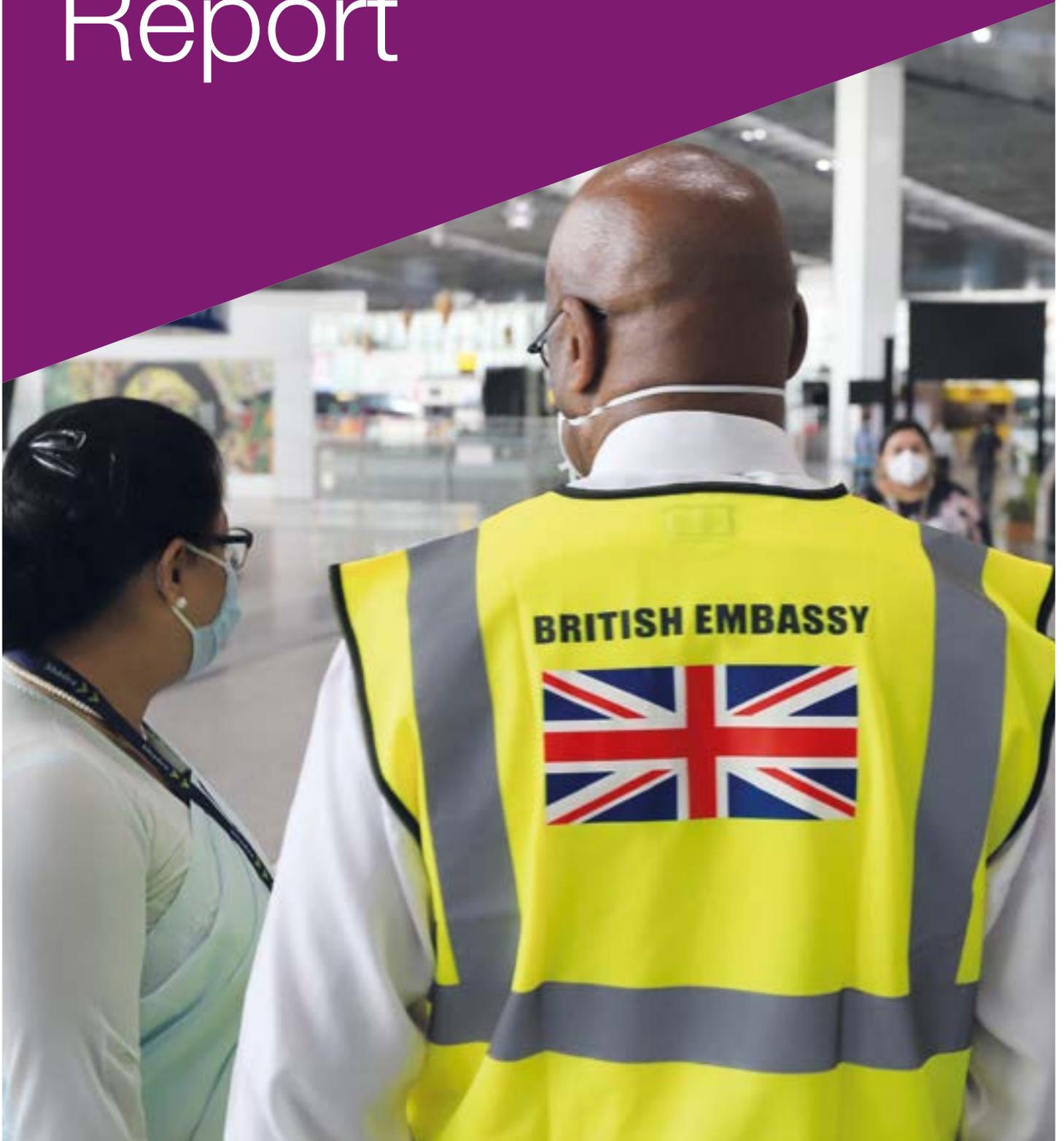
# Contents

<b>Section 1: Performance Report</b>	<b>4</b>
<b>1.1 Performance Overview</b>	<b>5</b>
Foreword by the Foreign Secretary: 2020-21 FCDO Annual Report and Accounts The Rt Hon Elizabeth Truss MP	6
Lead Non-Executive Director's Introduction to the Annual Report 2020-21 Baroness Helena Louise Morrissey DBE	8
Our Department	10
Safeguarding	18
Aims and Objectives in 2020-21	19
Performance Appraisal for 2020-21	20
Future Plans	24
<b>1.2 Performance Analysis</b>	<b>26</b>
PO 1: Shape the international order and ensure the UK is a force for good in the world by: supporting sustainable development and humanitarian needs; promoting human rights and democracy; and establishing common international standards	26
PO 2: Make the UK safer and more resilient to global threats	34
PO 3: Extend and amplify the UK's influence in the world, including through successful application for ASEAN dialogue partner status	38
FCDO's Risk Profile	45
<b>1.3 Financial Review</b>	<b>47</b>
The Public Sector Budgeting Framework	47
Budget to Accounts Reconciliation	49
Detail of the Type of Spend Incurred Over the Year	52

<b>1.4</b>	<b>Sustainability Report</b>	<b>57</b>
	Section 1: Overall Strategy for Sustainability	57
	Section 2: Greenhouse Gas Emissions	60
	Section 3: Waste Management and Minimisation	63
	Section 4: Water Consumption	67
	Section 5: Normalised Performance	68
	Section 6: The Global Picture	69
	Section 7: Sustainable Procurement	70
	Section 8: Broader Impacts	72
<b>Section 2: Accountability Report</b>		<b>74</b>
<b>2.1</b>	<b>Corporate Governance Report</b>	<b>75</b>
	FCDO Senior Management: FCDO Ministers in 2020-21	75
	Directors' Report	76
	Statement of Accounting Officer's Responsibilities	77
	Governance Statement	79
<b>2.2</b>	<b>Remuneration and Staff Report</b>	<b>114</b>
	Remuneration Report	114
	Staff Report	132
<b>2.3</b>	<b>Parliamentary Accountability and Audit Report</b>	<b>144</b>
	Statement of Parliamentary Supply	144
	SOPS 1 Net outturn	147
	SOPS 2 Reconciliation of outturn to net operating expenditure	151
	SOPS 3 Reconciliation of net resource outturn to net cash requirement	152
	SOPS 4 Income payable to the Consolidated Fund	153
	Parliamentary Accountability Disclosures	155
	The Certificate and Report of the Comptroller and Auditor General to the House of Commons	160

<b>Section 3: Financial Statements</b>	<b>166</b>
Consolidated Statement of Comprehensive Net Expenditure	167
Consolidated Statement of Financial Position	169
Consolidated Statement of Cash Flow	171
Consolidated Statement of Changes in Taxpayers' Equity	173
Notes to the Departmental Resource Accounts	175
<b>Section 4: Annexes</b>	<b>248</b>
<b>Annex A: FCDO Programme Allocations</b>	<b>249</b>
<b>Annex B: Annual Reporting of Statistical Information</b>	<b>262</b>
<b>Annex C: Regulatory Reporting – Core Tables</b>	<b>303</b>
<b>Annex D: Arm's Length Bodies</b>	<b>306</b>

# Section 1: Performance Report



# 1.1 Performance Overview

The Performance Overview section of this report sets out key information about the department, including the structures that have been established to ensure we deliver effectively. This section also outlines our objectives and a performance appraisal for the 2020-21 Financial Year, the first year of operation for the FCDO.



# Foreword by the Foreign Secretary: 2020-21 FCDO Annual Report and Accounts

## The Rt Hon Elizabeth Truss MP

It is a great honour to lead the Foreign, Commonwealth and Development Office and to ensure that our foreign and development policy delivers for people across our great country. As we look ahead, we must continue making the case for building deeper economic, diplomatic and security partnerships in order to help us seize the opportunities – and tackle the challenges – of the modern age, defending our values and advancing our interests around the world.

We are proud of the United Kingdom and our global role. We are delivering vaccines in record time as a strong science and tech superpower. We are a leader in development, delivering humanitarian support for those in need, and raising huge sums to support girls' education. We are a fierce champion of freedom, free enterprise and democracy around the world.

We are looking ahead to an autumn where Global Britain plants our flag on the world stage. In the coming weeks, we will be hosting the first Global Investment Summit, including a reception with Her Majesty the Queen. We will also be hosting the UN Climate Change Conference (COP26) in Glasgow, and a meeting of G7 Foreign and Development Ministers in Liverpool.

This is Global Britain in action: going out into the world in a positive and confident spirit to tackle alongside our friends and allies the major challenges of our times – from Covid-19 to climate change. By positioning the UK at the heart of a network of economic, diplomatic and security partnerships, we are making our country safer and more competitive, standing up for our values, and confirming our status as the best place to live, work and do business. Our mission is to project this vision to the world and ensure everyone in Britain knows that our best days lie ahead.





## Lead Non-Executive Director's Introduction to the Annual Report 2020-21 Baroness Helena Louise Morrissey DBE

In the 2020-21 Financial Year, we witnessed the unfolding of a range of testing and unprecedented events for the United Kingdom. The COVID-19 health crisis, exit from the European Union, and geopolitical tensions marked a challenging environment: the health, humanitarian, and socio-economic impacts of which threatened to interrupt, or at worst reverse, years of sustained global progress.

Amid these developments, the UK Government announced the merger of the Foreign and Commonwealth Office and the Department for International Development, uniting development and diplomacy in one new department: the Foreign, Commonwealth and Development Office, launched on 2 September 2020. There has never been a more important time to bring together the best of Britain's international effort and project the UK as a force for good in the world. I transferred to Lead Non-Executive Director of the FCDO in September 2020 from my role as Lead Non-Executive Director at the Foreign and Commonwealth Office. Since the department's formation, I have seen the FCDO respond to both external and internal challenge with sustained strength and pragmatism. The expression "changing an engine mid-flight" is strikingly pertinent for the FCDO this year. The department has managed an ambitious transformation portfolio, while simultaneously responding

to immediate challenges and opportunities and developing a long-term, comprehensive strategy to shape and deliver future priorities.

The FCDO's Non-Executive Directors (NEDs) have provided exceptional leadership support to the department throughout this demanding and transformative year. John Coffey was appointed in September 2020 as lead NED on Audit and Risk, Ann Cormack was appointed in October 2020 as lead NED in Human Resources and Beverley Tew (appointed in October 2020) has taken up the role as lead NED in Finance. I am very grateful for all the NEDs' support this year, particularly for providing tailored and knowledgeable advice in priority areas as the department's transformation is taken forward. The NEDs have also helped the FCDO to establish a governance structure that is tailored to the department. Rather than bringing pieces from either legacy department, we have created a new structure that provides a platform for the NEDs to provide an effective and objective challenge to the rest of the Board and officials. As a result, across the FCDO, an effective structure for collective decision making on issues that have an impact across the department has been created. In this critical first year, governance brings together key stakeholders to set direction and provide assurance for the organisation.

The department was founded under the leadership of the Secretary of State for Foreign, Commonwealth and Development Affairs and First Secretary of State Rt Hon Dominic Raab MP. Sir Philip Barton was appointed as the FCDO's Permanent Under-Secretary (PUS) and the FCDO's Accounting Officer in August 2020. Director Generals have provided leadership in their respective areas: Juliet Chua in

Finance and Corporate; Tom Drew for the Middle East and North Africa (MENA), Afghanistan and Pakistan; Moazzam Malik for Africa; Jenny Bates for the Indo-Pacific; Vijay Rangarajan for the Americas and Overseas Territories; Kumar Iyer in Delivery, Sir Ian Macleod in Legal and Nic Hailey for the FCDO's Transformation. The FCDO's Political Director, Sir Tim Barrow, was appointed in August 2020.



# Our Department

## About the FCDO

We pursue our national interests and project the UK as a force for good in the world. We promote the interests of British citizens, safeguard the UK's security, defend our values, reduce poverty and tackle global challenges with our international partners.

We unite development and diplomacy in one new department. FCDO brings together the best of Britain's international effort and demonstrates the UK acting as a force for good in the world.

We employ around 17,300 staff in our diplomatic and development offices worldwide, including in 280 overseas embassies and high commissions. Our UK-based staff work in King Charles Street, London and Abercrombie House, East Kilbride. We also have other London offices, including 22 Whitehall, and staff based in Milton Keynes.

## Transformation in 2020-21

On 16 June 2020, the Prime Minister announced that DFID and the FCO would merge, uniting development and diplomacy in one new department and bringing together Britain's international effort. The FCDO launched on 2 September 2020 and an organisational-wide transformation is underway to forge a new, high-performing department, capable of leading and co-ordinating the UK's international policy.

The transformation is progressing well, with strong Ministerial support and direction. A new leadership team is in place, headed by a new Permanent Under-Secretary and Director Generals (DGs). A Headquarter structure has been agreed, organised around a new Directors structure with joint

head offices in London and East Kilbride. Teams across the global network have been integrated bringing together legacy DFID and FCO staff. Heads of Mission are now accountable for the delivery of cross-HMG country plans that have been agreed by Ministers and set out the strategic priorities for the UK's international efforts in each country.

Learning lessons from other countries that have merged development and foreign affairs ministries, we have prioritised creating a new shared culture to ensure we retain key staff and deliver the impact we can all be proud of. We have also worked hard to ensure the transformation portfolio represents best practice for programme delivery and that the dependencies between different elements of the transformation are fully understood and managed. FCDO transformation will receive additional scrutiny and guidance from the Infrastructure and Projects Authority having joined the Government's Major Project Portfolio in July 2021. Resourcing challenges, in terms of securing both the staff and skills needed for delivery, and supporting the network to implement the transformation, are being addressed through ongoing recruitment exercises and prioritisation.

The creation of the Foreign, Commonwealth and Development Office was designed to align the UK's international efforts and maximise our influence as a global force for good. Although savings through administrative efficiencies will be realised, the merger was not driven by these issues. The FCDO is more efficient than the former departments. In 2020-21 the HQ-level permanent director structure was reduced by one third and the FCDO has 5 fewer permanent Director Generals at HQ than the

former departments. Additional efficiencies are being looked at as part of the forthcoming Spending Review.

The direct costs relating to the merger of the FCO and DFID in 2020-21 were approximately £4.9 million, £3.5 million was for direct staff costs, £0.6 million for specialist contractors and £0.8 million for software licences to align the two organisations.

## The FCDO's Structure and People

The FCDO is a ministerial department, supported by **12 agencies and public bodies**. We work with the private sector, non-governmental organisations, overseas governments, and a range of other actors including multilateral organisations. With this operating model, we can deliver at scale and flexibly across the globe, including fragile and conflict-affected countries. We use a range of funding instruments to fulfil our objectives including grants, contracts and financial investments. Our accountability system includes an evidence-based

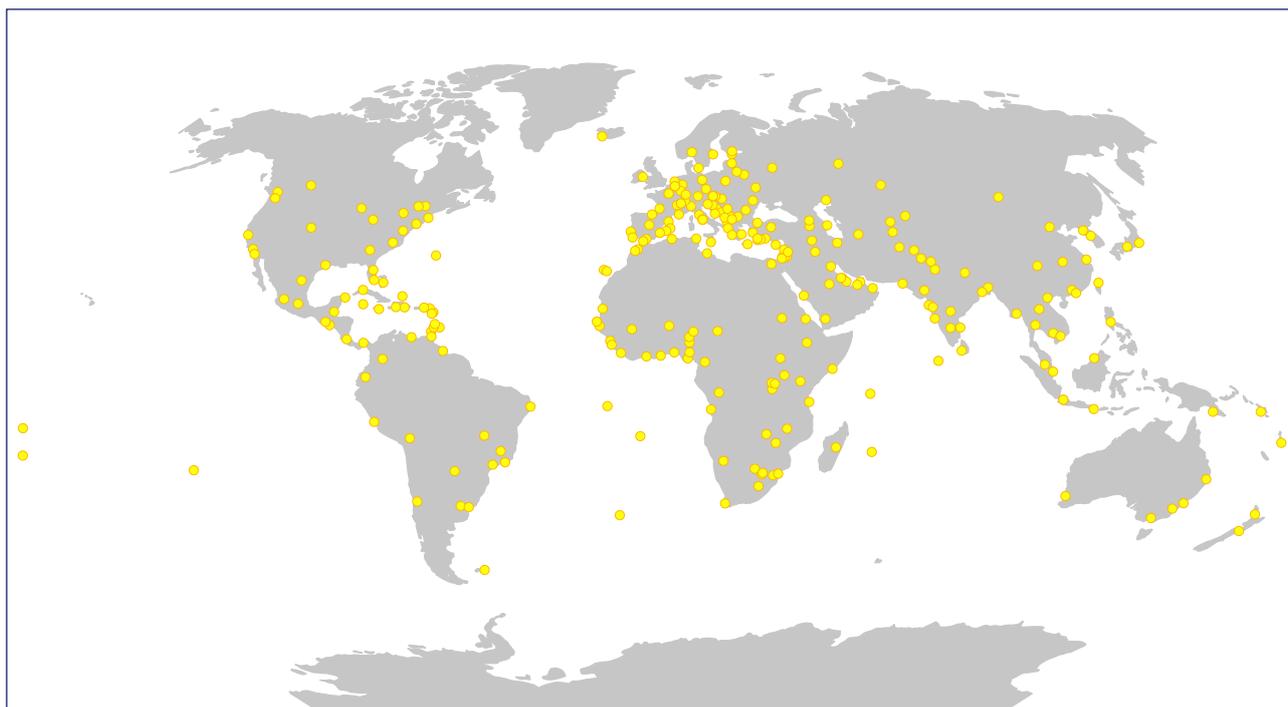
business planning process, supported by governance, monitoring, audit, assurance and risk management processes.

We employ 16,732 staff worldwide, including in 280 overseas embassies and high commissions. Our UK-based staff work in King Charles Street, 22 Whitehall (London), Abercrombie House (East Kilbride) and Hanslope Park (near Milton Keynes). More information on our staff is provided in section 2.2: Remuneration and Staff Report.

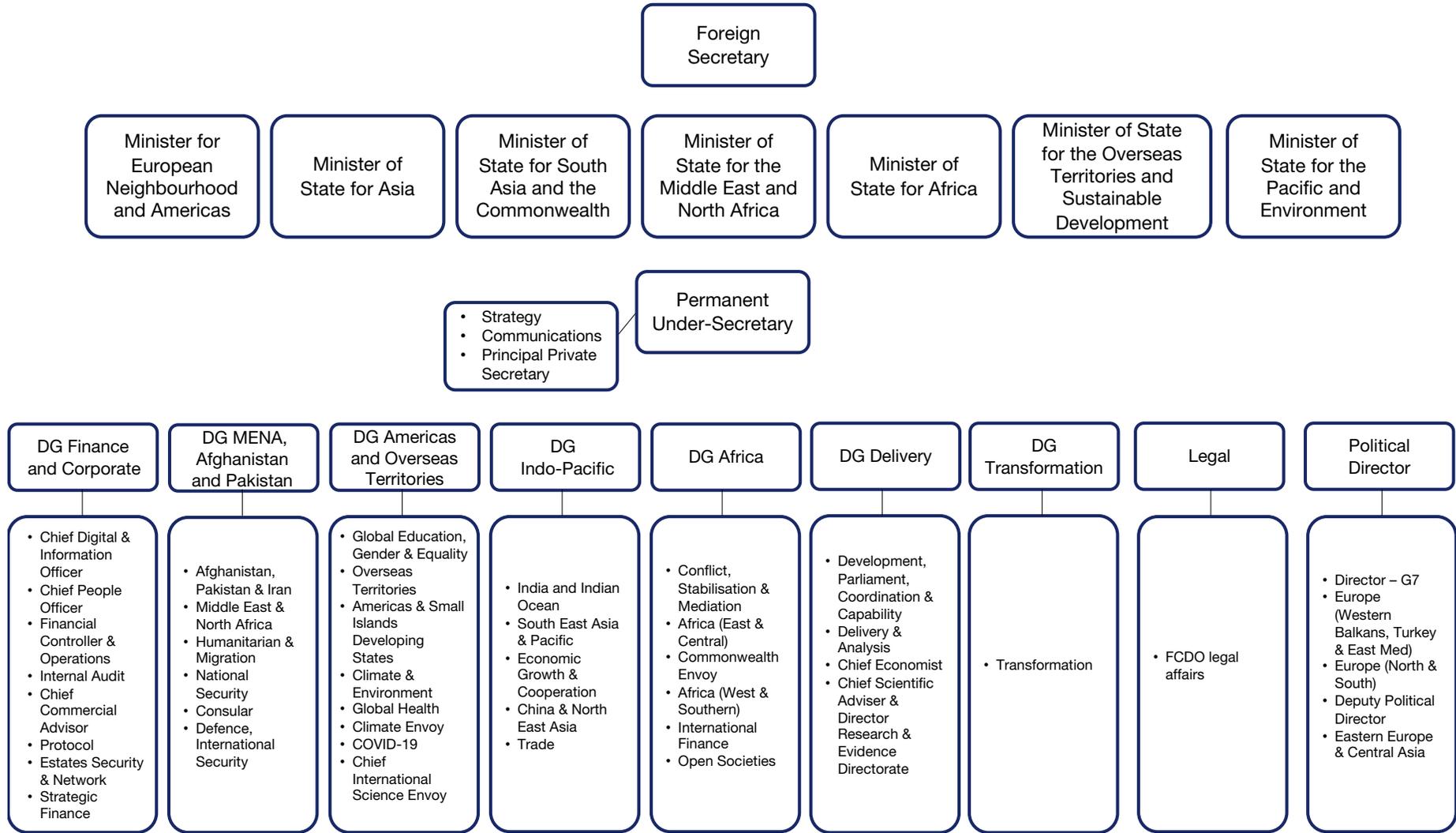
## Delivering Effectively

In our first year of operation, the FCDO established a range of structures to ensure that our department consistently delivers effectively. This includes our transparency commitments, the way we collectively make decisions and our risk management approach. Details on these structures is outlined below.

## Global Distribution of FCDO Posts



The diagram below presents the FCDO's organisational structure:



## Governance Arrangements

The FCDO's governance structure is made up of a number of boards and committees, each with its own remit. At the top of the governance structure is the **Supervisory Board**, which is chaired by the Foreign Secretary and meets quarterly. The Supervisory Board provides strategic direction, oversight, support, and challenge for the department with a view to the long-term health, reputation, and success of the FCDO. The Supervisory Board is made up of the PUS, DGs for Finance and Corporate, and Delivery, as well as all NEDs. Attendance for Ministers and other DGs is optional, depending on the agenda.

The **Management Board**, chaired by the Permanent Under-Secretary, ensures the organisation delivers departmental priorities and objectives set by Ministers. It also ensures rigorous management of performance, strategic risk and people and duty of care to staff. It takes key decisions on changes in management approach. It is the highest official-level governance meeting and its membership includes all Director Generals and relevant Directors with all NEDs invited to attend in an advisory capacity. The Management Board meets monthly.

Executive members of the Management Board meet weekly as the **Executive Committee (ExCo)**. Reporting to the Management Board, ExCo takes decisions on strategic choices or challenges relating to sensitive or time-bound issues, day to day running of the department, emerging issues, risks or crises where early steers or a cross-departmental view, impact or action is required.

The **Strategy Committee** is responsible for making sure the department is fit for the future. It focuses on challenge and strategic oversight, recommending changes to the FCDO's strategic direction, building strategic

capability, assessing coherence and links into UK Government strategy.

The **Investment Committee** is responsible for assessing whether the FCDO is spending to achieve the best Value for Money (VFM).

The **People Committee** (PC) is responsible for making sure the FCDO has the best workforce to deliver. It works to enable the organisation to have the right people in the right roles at the right times, to deliver its objectives and support the resilience and wellbeing of all FCDO staff.

The **Delivery Committee** assesses whether the FCDO is delivering on its objectives: achieving the desired effect as well as undertaking the planned activity, to high standards, across all areas of the FCDO's work including policy, programme and corporate.

The **Audit and Risk Assurance Committee (ARAC)** supports the Management Board, and the PUS as Accounting Officer, to review decisions and processes designed to ensure sound systems of internal control. This includes risk management, financial reporting (including internal controls over financial accounting), internal and external audit, Arm's Length Bodies, counter-fraud and safeguarding. The ARAC is chaired by a Non-Executive Director with suitable experience. It challenges the executive and promotes best practice across the FCDO, but has no executive responsibilities. It reports to the Supervisory Board.

Finally, the **Transformation Board** is a temporary structure and accountable to the Management Board for delivery of the overall scope of the FCDO's **transformation portfolio**. It takes key decisions affecting timescales, cost and quality of the portfolio and agrees programme objectives and scope.

## **Approach to Risk Management**

Until September 2020, FCO and DFID were two separate government departments, with distinct approaches to risk management. Both departments operated in some highly challenging environments and were willing to take carefully considered and well managed risks to deliver UK objectives. This section briefly sets out the approaches to risk management taken by the two predecessor departments, before considering the approach taken by the FCDO since September 2020.

The FCDO faces a wide range of risks because of our global footprint and activities. We pursue our national interests and project the UK as a force for good in the world. The world we work in and the work we do, is inherently risky. Risk management helps us navigate the complexity and uncertainty we face in delivering our objectives. It is an essential part of the management of the FCDO, informing operational decision-making, policy options, planning and financial management and control.

Both DFID and FCO, like other government departments (OGDs) and organisations, were severely affected by the COVID-19 pandemic. From late 2019 until the merger of the two departments, additional structures, processes and policies were introduced in each department to both consider the impact of COVID-19 on the delivery of wider objectives, and to manage risks to the delivery of new, more immediate priorities relating to COVID-19 itself. These were adopted in addition to the existing risk management approaches in place and have now been mainstreamed into the new risk management approach for the FCDO.

## ***DFID approach pre-merger (April – August 2020)***

DFID's principle-based risk management approach was laid out in a risk policy and appetite statement, supported by guidance, training and tools. DFID assessed the risks it faced through six categories: risks posed by the external context; risks to the department's reputation; fiduciary risks of funds being used for unintended purposes or not properly accounted for; safeguarding risks of unintended harm to people or the environment; risks to delivery of policy and programme objectives; and risks to operational capabilities and staff.

DFID had an appetite for carefully considered and well managed risks to deliver UK objectives and achieve development outcomes. DFID undertook higher risk activities where the situation (for example, a humanitarian emergency) or the expected results justified them. The department also accepted risk to innovate, build the evidence base and work in new and transformative ways. When undertaking higher risk activities, the department's aim was to ensure that the mitigating actions kept the risk to an acceptable level. In judging an acceptable level of residual risk as an ongoing appetite level, or to tolerate for shorter periods, the department demonstrated flexibility to adapt its approach to the context and available evidence base.

Strategic risks for DFID as a whole were considered by the Management Board monthly; the Supervisory Board also reviewed risk at regular intervals. The risk policy and appetite statement was reviewed at least annually and an additional review was completed after the COVID-19 outbreak. The Audit and Risk Assurance Committee provided oversight of the risk

policy and implementation of risk management plans.

### ***FCO approach pre-merger (April – August 2020)***

FCO's risk management approach was articulated in a risk policy and appetite. The FCO assessed top risks in two categories: policy risks and operational risks. Policy risks related to the delivery of the FCO's key foreign policy objectives, while operational risks were threats to the FCO's ability to function successfully as an organisation. Policy and operational risks interacted, for example, in relation to crisis response.

FCO's appetite for foreign policy risks depended on the issue, potential impact on UK interests and political context. FCO assessed the risk of policy choices and agreed appropriate risk appetite with Ministers and Partners Across Government.

The Audit and Risk Assurance Committee and the Executive Committee considered the Top Risk Register on a quarterly basis. Operational risks were scrutinised closely by the Audit and Risk Assurance Committee, on behalf of the Management Board, including deep dive investigations of key areas of risk. The Management Board and Supervisory Board also reviewed the Top Risk Register formally at least twice a year.

### ***FCDO approach post-merger (September 2020 – March 2021 and onwards)***

The FCDO will be the springboard for all our international efforts, integrating diplomacy and development to achieve greater impact and realise the Prime Minister's vision for coherent international delivery across the whole of Government. With this in mind, the Foreign Secretary and Management Board are focusing on delivery of the real-world

change we want to see. Risk management is a critical element of this approach.

Since the departmental merger in September 2020, the FCDO has adopted a single overarching risk management approach. Policies and processes have been established for escalation of risk throughout the organisation, ensuring appropriate accountability. We have developed a departmental FCDO Risk Appetite Statement, using UK Government best practice and extensive consultation, agreed by the Management Board and the Foreign Secretary. We have set risk management rules for our portfolio of policy programmes through a new Programme Operating Framework. A new FCDO Risk Management Policy was published in July 2021, aligned to the principles set out in the UK Government's 'The Orange Book: Management of Risk – Principles and Concepts'.

We introduced a new FCDO Principal Risk Report (PRR) in September 2020, covering the most significant risks to FCDO's performance and reputation. In March 2021, the PRR contained 21 principal risks, alongside detail on linked secondary risks. The scope and number of principal risks is kept under constant review. The principal risks are organised into seven categories: strategy and context, policy and programme delivery, public service delivery and operations, people, safeguarding, financial and fiduciary and reputational. Each of the principal risks is owned by a Director or Deputy Director and has a Director General as a sponsor.

The Management Board discusses principal risks monthly, including the FCDO's overall risk profile and deep dives into individual risks. The board determines accountability for each of the principal risks, reviews risk exposure against risk appetite and monitors

progress in implementing controls, drawing on management information, qualitative insights from across the organisation and wider evidence.

Further information on our approach to risk management, including the governance of risk, can be found in Section 2.1.

## Transparency

The UK is globally recognised for its transparency and open-data, and the FCDO is committed to transparency to enable the best use of evidence, data and digital tools to inform our policy and actions.

Transparency enables the FCDO to demonstrate the value and impact of our diplomatic and development work and supports our international standing and reputation.

We fulfil our international, legal, and public transparency commitments.<sup>1</sup> In addition, we provide leadership in aid transparency as a member of the International Aid Transparency Initiative (IATI) and share information about our aid programming on the [DevTracker platform](#). We are also committed to making better use of open data via the National Data Strategy and support the UK membership of the Open Government Partnership, promoting the values of Open Government and transparency across the world. We appointed a Board Sponsor to provide strategic leadership for transparency when the department was formed in September 2020, and actively support the network of UK Government Transparency Champions established by Cabinet Office, to drive openness and accountability across all departments.

The UK Aid Strategy (2015) set out the commitment that ‘all UK government departments will achieve ‘good’ or ‘very good’ in the Aid Transparency Index (ATI) by 2020’. Prior to the formation of the FCDO, both legacy organisations were assessed in the global ATI, which was published in July 2020. Legacy DFID was classed as ‘very good’ among major donors, and legacy FCO improved its performance to ‘fair’. The FCDO has benefited from the expert programme delivery knowledge of our legacy departments and continues to strengthen transparency across our activity. We are committed to improving the transparency of aid globally and maintaining our high standards for overseas spending. We have promoted this across the UK Government via a Transparency Community of Practice which has established a beneficial exchange of learning between aid-spending departments. Although COVID-19 meant this was temporarily put on hold, the FCDO will continue to build on this work.

## Scrutiny

Our scrutiny arrangements respond to Section 5 of the International Development (Official Development Assistance Target) Act 2015, which requires the Secretary of State to make arrangements for the independent evaluation of the extent to which Official Development Assistance (ODA) provided by the UK represents Value for Money in relation to the purposes for which it is provided; and to report on how the duty has been complied within the FCDO’s Annual Report. The Independent Commission for Aid Impact (ICAI) is the mechanism that provides ‘independent

---

<sup>1</sup> How to publish central government transparency data – GOV.UK ([www.gov.uk](http://www.gov.uk))  
International Development (Reporting and Transparency) Act 2006 ([legislation.gov.uk](http://legislation.gov.uk))  
Freedom of Information Act 2000 ([legislation.gov.uk](http://legislation.gov.uk))  
Managing public money – GOV.UK ([www.gov.uk](http://www.gov.uk))

evaluation and scrutiny of the impact and value for money of all UK Government ODA' and this section fulfils the duty to report. ICAI reports to the International Development Committee in Parliament and makes its reports available online.

The FCDO is subject to parliamentary scrutiny by the International Development Committee and Foreign Affairs Committee, which monitors the policy, administration and spending of the department, and the Committee of Public Accounts, which scrutinises the VFM of public spending, as well as scrutiny by the National Audit Office (NAO), which assesses the VFM public spending for parliament.

## Evaluation Arrangements

We are also committed to evaluating our programmes to ensure that they deliver VFM and to generate learning that benefits our future work. The department uses evaluation, monitoring and other evidence tools across our programmes alongside policies for accountability and learning, and this is incorporated into programme conceptualisation and design. The FCDO's sound approach to the use of evidence was acknowledged in the 2020 Organisation for Economic Co-operation and Development (OECD) Development Cooperation Peer Review, which highlighted that the UK "values evidence and knowledge and has continued to reinforce its strong approach to results, evaluation and learning."

Monitoring and evaluation experts are embedded across our department. Evaluation support is also provided from the centre, through guidance, technical advice, quality assurance, conducting strategic evaluations, and learning and development opportunities:

**Standards:** An internal interim evaluation policy was introduced this year, based on DFID's protocols, and we have started the process for developing a full evaluation policy and strategy for the new merged department. We ensure evaluations conducted across the business reach expected standards of quality and rigour: between April 2020 and March 2021 our Evaluation Quality Assurance and Learning Service (EQUALS) responded to 103 requests for quality assurance, 17 of which were from other government departments. The Global Evaluation Framework Agreement continues to provide a critical service for procurement of evaluation expertise to the FCDO and other government departments spending ODA.

■ **Rigour and innovation:** Through the Centre for Excellence for Development Impact and Learning (CEDIL) programme, we have pioneered new rigorous methodologies for hard-to-measure problems, including mapping frontier work on using big data and providing guidance on how to use this in impact evaluations. We have adapted our work to meet the priority needs of the new organisation. For example, we have developed and are leading a cross-FCDO workstream on how to design, measure and evaluate the department's diplomatic and development influencing work. We have also been leading work on innovative approaches to adaptive management for complex and high-risk contexts.

■ **Technical advice and guidance:** Our Evaluation Advisers in the Evaluation Unit provide bespoke technical advice and support on monitoring, evaluation and learning to teams and priority work across the organisation, through a dedicated helpdesk. The FCDO Evaluation Quality Assurance and Learning Services (EQUALS) also provides expert,

on-demand, and quick turnaround technical support to the FCDO, including 28 requests for technical assistance and work on 5 learning reviews in 2020-21. We developed a series of guidance notes to support the shifting needs and challenges of evaluating in the COVID-19 context.

- **Strategic evaluations:** This year, we have stepped up our efforts to provide strategic and thematic portfolio evaluations on key areas. We have designed a layered, sequenced, and proportionate approach to evaluating our investments on COVID-19 interventions ranging across programme, portfolio, and thematic work. We have started a suite of thematic evaluations on priority areas, including Climate Smart Agriculture. We have completed learning reviews which synthesise our evidence on Beneficiary Engagement, **Commercial Agriculture** and Girls' Education. We have provided support to the World Bank's Fund for Impact Evaluation and the Strategic Impact Evaluation Fund, which has included COVID-19 emergency evaluations on remote education, school return and response and recovery using educational technology. We completed the Evidence in Governance and Politics (EGAP) programme this year, which collected exciting new robust evidence on crime, community policing, community management of natural resources and incentivising citizens to access tax funded public services, as well as pioneering new and more rigorous methodologies for testing whether an invention is effective in multiple contexts.

## Safeguarding

Safeguarding against sexual exploitation, abuse, and sexual harassment (SEAH) is a priority for the FCDO. In September 2020, we published the **UK's first strategy on tackling SEAH in the aid sector** which sets out how we are working to ensure better safeguarding across this sector, within the UK Government and in the programmes we fund. The FCDO's code of conduct states what type of sexual activity is unacceptable and the related consequences if the code is broken. The Safeguarding Team and Safeguarding Unit within the Internal Audit and Investigations Department, drives this work forward, focusing on both safeguarding policy and enforcement. We are introducing mandatory SEAH training for all staff as part of wide-ranging internal capability building. We continue to deliver on the **commitments we made at the October 2018 London Safeguarding Summit** to: prevent SEAH from occurring; listen to those who are affected; respond sensitively but robustly when harm or allegations of harm occur; and learn from every case. We continue to drive collective action by convening and chairing multiple international working groups. In October 2020, we published a **further progress report** against the 2018 London Summit commitments.

We launched the Resource and Support Hub (**RSH**) in May 2020 whose global and national hubs aim to build the safeguarding capacity and capability of smaller, locally based organisations, in particular. In March 2021 we **announced details** of a programme to make it easier for survivors of SEAH to report abuse, to improve the quality

of investigations and strengthen support available to survivors and victims. Other initiatives we are supporting include: advanced **safeguarding leadership training** for hundreds of individuals worldwide through the Open University; a **digital leadership and culture tool** to help organisations assess their strengths and weaknesses on tackling SEAH; and initiatives such as the **Misconduct Disclosure Scheme** to prevent perpetrators from moving around the aid sector.

The FCDO registered 12 new internal staff cases of SEAH this year and 22 internal cases were concluded in the same period. Internal cases mean the survivor, or the subject of complaint, is an FCDO staff member. In 8 of the 22 concluded cases the allegations were upheld, resulting in disciplinary action, up to and including dismissal. In the other cases there was either: insufficient information to progress to an investigation; lack of engagement from witnesses or the survivor; or the investigation concluded there was no evidence to support the allegations made.

Since setting clearer expectations in early 2018 that legacy DFID and now FCDO partners must report credible suspicions and actual allegations of safeguarding abuses, we have seen an increase in reports to the FCDO of external safeguarding concerns, from 73 in 2017-18, to 260 in 2018-19, 452 in 2019-20 and 548 in 2020-21. The increase in reporting is encouraging as it demonstrates confidence in our reporting system and that action will be taken in response to concerns raised. The most common case types reported in 2020-21 were: SEAH; non-sexual discrimination and harassment; physical abuse; and child exploitation. In 55% of cases disciplinary

action, up to and including dismissal, was taken; in 21% of cases there was no evidence; in 14% of cases partners took other action to strengthen safeguarding policies and control mechanisms; and in the remaining cases there was insufficient evidence or lack of engagement from witnesses or survivors, to progress investigations.

## **Aims and Objectives in 2020-21**

The creation of the FCDO in September 2020 and absence of an updated Single Departmental Plan in 2020-21 for either legacy department<sup>2</sup> means that the FCDO did not have centrally agreed Strategic Objectives or Priority Outcomes to report against in the 2020-21 Financial Year. We have nevertheless determined priority policy areas early on (outlined in the Performance Analysis sub-section).

The 2020 Spending Review (SR) settlement required all departments to produce an Outcome Delivery Plan (ODP); this has replaced the Single Departmental Plan as the document by which departments will be held to account. ODPs outline Priority Outcome Metrics and Strategies. The **FCDO's and ODP** was published in July 2021 and will be used to guide performance reporting for the 2021-22 Annual Report.

While performance reporting is optional for the 2020-21 Financial Year because of the unprecedented pressures that the COVID-19 outbreak has had on the whole of the UK Government, the FCDO has chosen to go beyond requirements to produce a bridging report, presenting information on our performance in priority policy areas this year. Key activities and

<sup>2</sup> Due to COVID-19 pressures, the Cabinet Office did not commission updated Single Departmental Plans from Government departments for the 2020-21 Financial Year

achievements for the department are structured against ODP Priority Outcomes determined for the year ahead; the Performance Analysis sub-section of the 2021-22 Annual Report will also take this approach, making comparisons easier.

Our ODP reporting, and delivery of the Priority Outcomes, will be underpinned by our new Delivery Framework approach. The FCDO began to institute a Delivery Framework approach in 2020-21. This supports teams across all areas of FCDO work including policy, programme and corporate. It draws on robust tools, including Theories of Change, Outcomes Trees and KPIs, to clearly describe the real-world change we want to see and sets measurable targets to enable teams to monitor progress and take action to stay on course to deliver. This will continue to be rolled out in 2021-22 and will provide a stronger focus on delivery across all that we do.

## **Performance Appraisal for 2020-21**

In the 2020-21 Financial Year, the COVID-19 health crisis has had an unprecedented impact on lives across the world. As the greatest health threat that the world has been subjected to in decades, the health, humanitarian, and socio-economic impacts of this crisis threaten to interrupt years of sustained progress in global poverty reduction and stability.

At this critical time, the UK Government has united development and diplomacy in one new department: the FCDO.

Combining our diplomatic and development expertise will make us even more effective at achieving long-term change, supporting others to become self-sufficient, and ensuring we leave no one behind. Dealing with an unprecedented set of challenges, we have been able to meet performance expectations in our first operational year, and effectively deliver maximum impact in priority areas, while handling exceptional financial constraints brought about by the worst economic downturn that the UK has experienced for more than 300 years.

## FCDO Key Achievements



The **Integrated Review of Security, Defence, Development and Foreign Policy** was published, defining the Government's ambition for the UK's role in the world and the long-term strategic aims for national security and foreign policy. This will see the UK becoming a problem solving and burden sharing nation and sets a strong direction for building back better from COVID-19, both domestically and internationally.



We also used our presidency of the UN Security Council to **drive further progress on global access to COVID-19 vaccines** and call for local ceasefires to allow their delivery to some of the world's most vulnerable people.

We hosted the **Global Vaccine Summit** which raised nearly **US\$8.8 billion** to immunise a further 300 million children against a range of diseases.



We committed **up to £1.3 billion** of ODA to the UK's **international response**, combatting the health, humanitarian, and socio-economic impacts of the pandemic and supporting the research, development and equitable global distribution of vaccines, treatment and tests.



In the wake of the pandemic, we coordinated a repatriation effort that had no post-war precedent in terms of scale, complexity and duration. Consular teams handled over **500,000 enquiries** and issued **over 13,000 emergency travel documents**. We provided personalised consular support in **over 25,000 new cases**.



At the International Criminal Court we have seen the elections of Joanna Korner as Judge and Karim Khan as Chief Prosecutor.



2020 saw considerable progress on climate, culminating in 75 leaders making ambitious commitments at the **Climate Ambition Summit** on 12 December, co-convened by the UK, France and UN in partnership with Chile and Italy.



Our **Famine Prevention Call to Action** combined aid expertise and humanitarian diplomacy to address the rising risk of famine across the world. Sustained UK efforts have mobilised additional funding for the world's most vulnerable countries, including the **doubling of World Bank Early Response Financing from US\$500 million to US\$1 billion** to support countries facing increased food security risks in taking early action.

In 2020-21:

- The Integrated Review of Security, Defence, Development and Foreign Policy was published, defining the Government's ambition for the UK's role in the world and the long-term strategic aims for national security and foreign policy. This paves the way for the UK becoming a problem solving and burden sharing nation and sets a strong direction for building back better from COVID-19, both domestically and internationally.
- We also used our presidency of the UN Security Council to drive further progress on global access to COVID-19 vaccines and call for local ceasefires to allow their delivery to some of the world's most vulnerable people.
- In 2020 the UK imposed sanctions on individuals and entities in Russia, Saudi Arabia, Myanmar, DPRK, Belarus, Chechnya, Venezuela, The Gambia and Pakistan. Last year we introduced a UK **Magnitsky** sanctions law, to target individuals guilty of the most serious human rights abuses abroad. This year, we are extending this model to corruption.
- At the International Criminal Court we have seen the elections of Joanna Korner as Judge and Karim Khan as Chief Prosecutor.
- The FCDO coordinated a repatriation effort that had no post-war precedent in terms of scale, complexity and duration. Consular teams handled over 500,000 enquiries and issued over 13,000 emergency travel documents. We provided personalised consular support in over 25,000 new cases, and the FCDO travel advice pages were updated 7,700 times (a 98% increase compared to the previous Financial Year).
- The FCDO committed up to £1.3 billion of ODA to the UK's international response to COVID-19, combatting the health, humanitarian, and socio-economic impacts of the pandemic and supporting the research, development and equitable global distribution of vaccines, treatment and tests.
- 1.3 million British nationals were helped to return home at the peak of the pandemic. This included tens of thousands on UK Government Charter flights as well as hundreds of thousands more via commercial airlines kept open thanks to FCDO lobbying efforts.
- The FCDO facilitated catch-up programmes for 300,000 girls in low-income countries following COVID-19 school closures.
- The FCDO established the Hygiene and Behaviour-Change Coalition with Unilever and jointly invested up to £100 million in a unique programme to promote frequent handwashing with soap and surface hygiene – reaching 1 billion people across 37 countries.
- The Global Vaccine Summit hosted by the UK raised nearly US\$8.8 billion to support Gavi's mission to immunise a further 300 million children.
- 2020 saw considerable progress on climate, culminating in 75 leaders making ambitious commitments at the Climate Ambition Summit on 12 December. The summit was co-convened by the United Nations, the United Kingdom and France in partnership with Chile and Italy.

- The Foreign Secretary launched a Famine Prevention Call to Action in September 2020 combining the best of FCDO's aid expertise and humanitarian diplomacy to address the rising risk of famine across the world. Sustained UK efforts have helped to mobilise additional funding to support the world's most vulnerable countries, including the doubling of World Bank Early Response Financing from US\$500 million to US\$1 billion to support countries facing increased food security risks in taking early action.
- The Foreign Secretary reaffirmed that the UK will be an energetic and dependable partner in the growing prosperity of the Indo-Pacific region and demonstrated UK commitment during several visits to the region.
- The FCDO was central to assessing, managing and mitigating the international-facing risks and impacts of the D20 operation. The operation was designed to ensure that the UK Government could moderate the worst disruptive impacts of the end of the EU Transition Period on the welfare, health and security of UK citizens and on the economic stability of the UK.

## Delivering Maximum Impact

With the UK committed to achieving, but not exceeding, the Official Development Assistance spending target of 0.7% of gross national income in 2020-21, the contraction of the economy as a result of the COVID-19 pandemic prompted government to plan a £2.944 billion in-year reduction in ODA-spending in the 2020-21 Financial Year. At the same time, we estimate that the impacts of the COVID-19 pandemic are likely to have resulted in 119-124m additional people living in extreme poverty in 2020, rising to 150m in 2021.<sup>3</sup>

To ensure that our department delivered maximum impact in priority areas, while handling the pressures brought by the COVID-19 outbreak, the FCDO conducted a rigorous prioritisation exercise. The Executive Committee discussed a paper setting out options to ensure resources were channelled into the most urgent and time sensitive work.

ExCo agreed to use the baseline identified by the prioritisation exercises in both legacy departments, until the Integrated Review and Spending Review were published and prioritisation could be completed in line with the vision for the new department. Legacy FCO used a 'Do/Do differently/Drop' approach, while legacy DFID prioritised activities using a 'Gold/Silver/Bronze' rating. Both exercises identified three groupings of work according to the increase or decrease in resources that would be required. DGs used this baseline list of priorities to inform choices before the Integrated Review and Spending Review publications.

---

<sup>3</sup> These figures are calculated by the World Bank and not the FCDO, [click here](#) to see more information.

For both legacy departments, work-streams in the ‘Gold/Do’ category included helping those most at risk throughout the pandemic through procurement of medical equipment and legalisation services. Ministerial priority work-streams were also prioritised. Work-streams in the ‘Bronze/Drop’ category included cross-Whitehall engagement on policies **not** related to COVID-19, bilateral relationships and visits, business planning and discretionary work such as corporate away days.

By taking these decisions, we effectively delivered maximum impact in priority areas, putting the COVID-19 response at the forefront of our work. A breakdown of our main areas of spend in the 2020-21 Financial Year is provided in section 1.3: Financial Review.

The Performance Analysis sub-section of the report provides further information on our performance this year. As the FCDO is in its first year of operation, it will not be possible to draw on previous year strategic objectives and indicators to discuss performance and trends across earlier Financial Years.

## Future Plans

As announced in late 2020, given the impact of the global pandemic on the economy and, as a result, the public finances, we will move from a target of spending 0.7% of gross national income as ODA to 0.5% in 2021-22. This was a difficult – but temporary – decision. For the FCDO to achieve its strategy of integrating diplomacy and development to achieve greater impact, we will focus on:

- **Delivery:** Realising tangible real-world change is at the centre of what we do. That will be driven by clear accountability for delivery, using evidence-based

approaches. The FCDO’s new Delivery Framework will work across the range of the department’s business, based on robust theories of change, with clear and measurable targets at all levels.

- **Alignment:** The FCDO leads a whole-of-government international effort. All posts work to a single set of objectives (the Country Plan) for which the Head of Mission (HoM) is fully accountable. HoMs will be consulted on all programme and policy decisions in-country and will chair cross-Government Country Boards with clear lines of accountability to Ministers.
- **Integration of our toolkit:** The FCDO integrates the full range of the UK’s diplomatic, development and domestic tools. Examples include shifting the strategy of CDC Group plc (CDC), the UK’s development finance institution, towards promoting energy transition and green infrastructure; pulling together targeted sanctions, diplomatic campaigns and aid programmes, to deliver our open societies agenda; and working with domestic departments to build the UK’s influence on key international objectives, such as countering money laundering and global health security.
- **Value for money:** The FCDO provides the overseas platform for the whole of the UK Government, with a focus on value for money, effectiveness, and alignment of services and policies. We use evidence and data rigorously in how we design portfolios of activities, programmes and investments to achieve our goals. We improve and maintain a global estate and vehicle fleet that is secure, fit for purpose and maximises efficiency, utilising key investments (e.g. in our posts in Washington, Ottawa and Mexico City) to contribute to our sustainability objectives.

- **Coherent use of Official Development Assistance:** The Foreign Secretary will lead an interim stocktake of the UK ODA portfolio at the mid-year point to assess spending plans across departments and ensure we meet the 0.5% GNI target. Coherence in our ODA spend across the Government will be driven by the FCDO's new International Development Strategy.
- **Partnerships:** The FCDO will strengthen our global reach to build a diverse range of partnerships with bilateral and multilateral partners, the private sector, civil society and beyond. Our Posts will strengthen understanding of, and access to, host Governments and influential individuals and groups. We will use these partnerships to deliver the Country Plan and strengthen the long-term benefit to the UK and global stability.
- **Crisis management:** All Posts will be ready to deliver a whole of government response to crises, particularly those affecting the safety or welfare of British nationals and large-scale humanitarian crises. Teams will continue to work with international partners on crisis anticipation and invest in crisis management preparedness and in the skills and readiness of staff across the mission.



# 1.2 Performance Analysis

**For the Performance Analysis section of the 2020-21 Annual Report and Accounts, we have produced a bridging report, presenting information on our performance in 2020-21 against the priority policy areas. We will publish a separate document providing a final set of results for the 2015 – 2020 UK Aid Strategy, in early 2022.**

Key activities and achievements for the department across the 2020-21 Financial Year are structured against Priority Outcomes determined for the year ahead. Our analysis is supported by a review on progress on the FCDO's contribution to the United Nations (UN) Sustainable Development Goals. The Performance Analysis concludes by presenting information on our risk profile in 2020-21.

**PO 1: Shape the international order and ensure the UK is a force for good in the world by: supporting sustainable development and humanitarian needs; promoting human rights and democracy; and establishing common international standards**

*The FCDO will use its combined diplomatic and development tools to promote and project the UK as a force for good. We will react nimbly to human rights and humanitarian law violations and take action in multilateral fora and through our new sanctions regimes. We will use Official Development Assistance to support girls' education and free journalism, and work with other donors and partners to respond effectively to humanitarian crises and reduce the risk of famines.*

## Global Goals

The FCDO's work under this outcome contributes to the following Global Goals, amongst others:



## Activities and Achievements in 2020-21

The FCDO has led the UK's **international response** to COVID-19. We have made available public commitments worth up to £1.3 billion of ODA since the crisis began, making us one of the largest donors. Of these commitments, £664 million was spent in Financial Year 2020-2021. We mobilised quickly when the crisis first began and worked with and through the international system, in order to achieve the scale of action and coordination needed to overcome this global crisis. In 2020-21:

- We committed up to £829 million for the research, development and distribution of vaccines, treatments and tests, including a £500 million commitment to COVAX in support of the provision of vaccines to low and lower-middle income countries<sup>4</sup>. Of the £829 million, £227 million was spent in Financial Year 2020-21.
- We also committed up to £314 million to multilateral institutions like the UN, as well as to UK charities and international Non-Governmental Organisations (NGOs), to support the health and humanitarian response. Of the £314 million, £287 million was spent in Financial Year 2020-21.
- To support the global economic response, we also committed £150 million to the IMF to help the poorest countries with their debt repayments so they could focus limited resources on their country response. This was spent in full in Financial Year 2020-21.

- Over and above our funding commitments, the UK's investment in its research and development has been a key contribution to the global vaccination effort, enabling Oxford and AstraZeneca to produce a new vaccine and already distribute 450 million doses for no profit, with two-thirds going to lower- and middle-income countries.
- In addition to the public commitments, the FCDO created new, and adapted existing, programming amounting to more than £750 million<sup>5</sup> ODA in Financial Year 2020-21. This has primarily sought to help countries tackle the impacts of the pandemic on health, the economy, and education as well as where COVID-19 has exacerbated pre-existing humanitarian crises. For example, we set up a new programme to respond to COVID-19 in the Caribbean, which has helped deliver vital emergency health support. We set up a new programme in Jordan to provide cash emergency assistance to 293,000 families who have been economically impacted by COVID-19. We adapted our flagship Girls' Education Challenge programme in Sub-Saharan Africa and South Asia, which is supporting 1.5 million marginalised and highly marginalised girls to benefit from a quality education, by ensuring remote teaching techniques reach key cohorts of girls of school age using no-tech or low-tech learning. This is keeping girls safe and learning through COVID-19. In Somalia, we adapted a programme to support at least 100,000 internally displaced people and vulnerable urban poor, including by

<sup>4</sup> The UK used the International Financing Facility for Immunisation to frontload funding to COVAX: US\$448 million early in 2021. The FCDO's payment profile is spread over 8 years starting in November 2021.

<sup>5</sup> Please note that COVID-19 figures have been calculated based on the methodology set out in Statistics on International Development (SID): Provisional UK Aid Spend 2020. Therefore, programmes with a COVID-19 spend under £1 million have been excluded. For more information, please see section 7.9 in the [Provisional SID 2020](#). Finalised COVID-19 spend figures for 2020 will be published in the Final SID in late September, will be the most up to date sources to used, and will be found on the [SID gov.uk page](#).

decongesting crowded informal settlements to reduce the risk of transmitting the virus, as well as providing shelter and promoting good hygiene.

- At the instigation of the UK, as Commonwealth Chair-in-Office, Commonwealth Leaders agreed and issued a comprehensive statement on the full range of global responses to the COVID-19 pandemic, outlining their commitment to protect the health of their 2.4 billion citizens and mitigate the consequences for them.
- We coordinated a global repatriation operation, supporting British nationals overseas to get home to the UK, including tens of thousands on UK Government charter flights. We worked with airlines to keep commercial flights operating, supporting 1.3 million British nationals to return home. This operation had no post-war precedent in terms of scale, complexity, and duration. Repatriation charter flights were used where they were most needed and we ensured that they were affordable, charging a capped price per passenger. Every flight required specific permissions and each brought its own, individual challenges. In India, the sheer volume of travellers presented a challenge: 66 government charter flights brought back nearly 18,000 people, each of whom required an individual movement plan and permissions. In the Philippines, we navigated the logistical challenges of organising internal transfers by small boat and small aircraft, with our teams assisting at every stage of these journeys. The FCDO offered emergency loans to help repatriate people to the UK, and from 5 May 2020 introduced a new temporary loan to support British nationals who would otherwise be unable to return home. The FCDO has provided more than 3,000 loans with a total value of over £2 million.

### Getting British Nationals home in 2020–21:

- The FCDO launched seven separate crisis operations
- This culminated in a global repatriation charter operation that brought British nationals back to the UK on 186 flights, from 57 different countries and territories
- More than 19,000 British passengers from 60 cruise ships were successfully disembarked, including 1,500 people on direct or supported charters
- Staff supported the return of 1.3 million British nationals via commercial routes, of whom we estimate 132,000 were directly assisted by the UK Government
- We collaborated with partners to ensure the return of more than 4,000 British travellers on their charter flights



In addition to our immediate COVID-19 response work, the FCDO is leading international efforts to end the pandemic and strengthen **global health security**. In 2020-21:

- We worked with partners, through the G7 and elsewhere, to strengthen global health security as set out in the Prime Minister's five-point plan for pandemic preparedness. Our new core contribution of £340 million between 2020 and 2024 to the World Health Organization (WHO),

will contribute to this by strengthening the WHO and supporting countries to implement the International Health Regulations and support wider UK global health priorities, including strengthening country health systems.

- We continued to be a leading donor to The Global Fund to fight AIDS, Tuberculosis, and Malaria, which has helped save 38 million lives since 2002, and aims to save 16 million more over the next three years.
- The COVID-19 pandemic impacted the delivery of Sexual Reproductive Health and Rights (SRHR) services throughout 2020-21 with reports of large-scale disruption in family planning, antenatal care, and facility-based birth services. The FCDO was the lead donor to the United Nations Population Fund (UNFPA) Supplies, which played a critical role in addressing supply chain bottlenecks, procuring PPE, and advocating for family planning services to remain open. We have contributed towards UNFPA assisting over 10 million women, girls, and young people in 53 countries with services, information, and supplies.
- The FCDO's Women's Integrated Sexual Health (WISH) programme reached over 3.6 million women and girls with life-saving family planning services across 27 countries in Africa and Asia. We have also continued to support the global family planning partnership, FP2020, which has enabled 60 million additional users of modern contraception since 2012.

As set out in the Integrated Review, tackling **climate change and biodiversity loss** is the number one international priority for the UK in 2021 and beyond. In this critical decade, the FCDO aims to tackle the causes and effects of climate change, reverse biodiversity loss and support secure

and affordable energy for all. This includes delivering a successful COP26 in November 2021 (postponed from November 2020 due to COVID-19) and galvanising increased global action to tackle the climate crisis and protect nature. In 2020-21:

- We worked to deploy the full FCDO network behind COP26 priorities – engaging Heads of Mission, our overseas network of Climate, Energy and Environment Attachés and Advisers and four senior COP26 Regional Ambassadors, to embed climate and environmental considerations across the UK's diplomatic and development efforts.
- As Presidents of both COP26 and the G7 in 2021, the FCDO pursued action across our Presidencies, as well as working closely with our Italian partners to engage the G20. We championed this agenda in other multilateral fora too, notably at the United Nations where the UK hosted the first ever UN Security Council discussion on climate security in February 2021, as well as with the International Financial Institutions.
- 2020 saw considerable progress on climate, culminating in 75 leaders making ambitious commitments at the Climate Ambition Summit on 12 December. The summit was co-convened by the United Nations, the United Kingdom and France in partnership with Chile and Italy.
- In January 2021, the UK launched the Adaptation Action Coalition with co-chair Egypt, and continued to provide support to key initiatives to promote resilience, including the Least-Developed Countries Initiative for Effective Adaptation and Resilience (LIFE-AR) and the Risk-informed Early Action Partnership (REAP).

- On 31 March 2021, the Foreign Secretary and the COP President-designate hosted the Climate and Development Ministerial (CDM) which brought together Ministers from 35 climate vulnerable and donor countries, to focus on the implementation of the Paris Agreement and Sustainable Development agenda in those countries most vulnerable to climate change, including via more donor finance to support adaptation and resilience.
- We recommitted to double our International Climate Finance to £11.6 billion from 2011-22 to 2025-26. Within this commitment, we will ensure at least £3 billion is invested to deliver significant benefits for nature as well as for climate and people. We will also continue to aim for a balanced split between mitigation and adaptation.
- The FCDO supported low-income countries to understand how climate change will affect water availability and to manage their water resources sustainably. In the initial response to COVID-19, the UK provided £20 million of emergency support to UNICEF as part of their global appeal to support governments, including the provision of water and sanitation for vulnerable children.
- We led work internationally to support low-carbon, resilient and inclusive urbanisation in low-income countries and accelerate the development of compact cities. For example, in 2020-21, the Managing Climate Risks for the Urban Poor (MCRUP) programme, supported 40 urban infrastructure projects in 36 cities, unlocking US\$653 million of Asian Development Bank (ADB) loans and over US\$60 million of government finance.
- Our portfolio of over 30 commercial agriculture programmes supported responsible production through the sustainable growth of small-scale producers and agribusinesses in low-income countries. This included support to reduce food losses, a key target of Sustainable Development Goal (SDG) 12: Responsible Production and Consumption.
- The FCDO contributed to efforts to sustainably manage marine resources and biodiverse ecosystems, including forests. Despite slow global progress, we continued to support efforts across a range of targets. As of November 2020, the FCDO's Blue Belt programme exceeded its target to protect 4 million km<sup>2</sup> of ocean around UK Overseas Territories. We also supported global research, pilot projects and other initiatives to reduce the use of plastics as well as increase their re-use and recycling efforts in low-income countries. The FCDO played a key role in defining the UK's overarching ambition for the post-2020 Global Biodiversity Framework. We supported work focused on stopping illegal logging and illegal deforestation, promoting sustainable trade in timber and agricultural commodities, and catalysing investment into sustainable businesses.

The FCDO is committed to ensuring that the most marginalised receive a **quality education**. The right to education is indispensable for the exercise of essential human rights. In 2020-21:

- We helped millions of girls and boys continue to learn and stay safe during school closures. All of our bilateral education programmes rapidly adapted to respond to the global pandemic. For example, in Pakistan, 8.5 million students (including 4.3 million girls) were able to continue learning as a result of the FCDO's provision of a COVID-19 toolkit to make up for lessons missed and provided accessible online learning opportunities for children with disabilities. In Ethiopia, the FCDO's education assistance included a US\$5 million Contingency Response supporting digital technologies and connectivity for a coordinated government response during COVID-19 and adapted ongoing educational leadership training to focus on 'blended' learning.
- At a global level, the UK announced £20 million for the UN Children's Fund crisis appeal, which includes education, adding £5 million to the Education Cannot Wait (ECW) fund to support emergency education in fragile contexts, and a further £5 million to the United Nations High Commissioner for Refugees (UNHCR). The ECW crisis fund has benefited around 4 million hard-to-reach girls, who risked leaving education permanently after the COVID-19 outbreak whilst UNHCR support enabled 5,500 teachers to continue teaching in refugee camps across 10 different countries. The Global Partnership for Education, to which the UK is the largest donor, also quickly mobilised more than US\$500 million to support partner countries with planning and implementing their response to the pandemic.

### In 2020-21, the UK:



developed a teaching and learning toolkit in Pakistan, supporting more than **8.5 million students**.



supported remote and home-based learning in Nigeria, supporting **12,542 learners**.



ensured its bilateral programmes benefited around **4 million marginalised girls**.



pledged additional funding to UNHCR enabling **5,500 teachers** to continue teaching in refugee camps.

**Peace, stability, human rights, and open societies**, based on the rule of law and democratic governance, are critical for global stability. The FCDO is a vocal proponent of SDG 16: Peace, Justice and Security and made the promotion of open societies a top policy priority this year. In 2020-21:

- We worked with the United Nations Development Programme (UNDP) to support countries to deliver on SDG 16 through a more systematic approach to evidence collection, harnessing of best practices, peer-learning, and the facilitation of multi-stakeholder partnerships on SDG 16 reporting.

- The FCDO's Rule of Law Expertise UK (ROLE UK) programme worked to strengthen the rule of law in low-income countries by supporting partnerships that provide high-quality pro bono legal and judicial expertise. ROLE UK currently has 38 partnerships, and has been working in Nepal, Nigeria, Uganda, Malawi, Kenya, Rwanda, and Tanzania, providing highly expert advice on strengthening justice systems.
- The FCDO's International Action Against Corruption (I-ACT) programme has delivered specialist anti-corruption technical expertise and access to international partnerships to help tackle cross-border corruption. This has helped reduce corruption through support to asset recovery and return and by increasing the transparency of company ownership.
- The FCDO'S UK Action to Support Developing Countries Fighting Corruption (UK ACT) programme funds UK law enforcement authorities to pursue and investigate money laundering and bribery, related to low-income countries with links to the UK. Under UK ACT, £76,012,241 of assets have been restrained, confiscated or returned in 2020-21.
- We prioritised **media freedom**; working with a range of partners, including BBC Media Action, to strengthen the ability of independent media in low-income countries to produce free, independent public interest journalism and provide a forum for constructive public debate, both offline and online. In 2020-21, the FCDO successfully helped to broaden the Media Freedom coalition to include 11 new members and secured a strong endorsement for coordinated action on Media Freedom in draft communique

language, ahead of the G7 Foreign Ministers' meeting in May 2021.

The FCDO is an international advocate for **equality**. We successfully fought for a dedicated gender equality goal in the Sustainable Development Goals (SDG 5: Gender Equality) and targets on gender equality across the other Goals. COVID-19 has often exacerbated the challenges of the most vulnerable. We work closely with international partners to ensure the most vulnerable groups are at the centre of global efforts to recover from COVID-19. In 2020-21:

- We adapted existing programmes to ensure women and girls continue to access support during lockdowns, such as delivering support services online, strengthening national helplines and supporting women working in supply chains impacted by the COVID-19 pandemic.
- In June 2020, we launched global consultations on 'the Murad Code' for documenting conflict-related sexual violence (CRSV), to ensure that investigations into sexual violence crimes are safer, more ethical, and more effective. We also launched the Declaration of Humanity by Faith and Belief Leaders, to end CRSV and tackle the stigma faced by survivors. More than 50 faith and belief leaders, civil society organisations, and governments have endorsed the declaration.
- The FCDO continued to support the vital work of women's rights organisations by ensuring their inclusion in the Action Coalition priorities, and by announcing an additional £1 million to the UN Trust Fund to End Violence Against Women in September 2020, on top of our existing £21 million contribution to support

long-term interventions for women and girl survivors of Gender Based Violence.

- The UK continued to fund the Women Mediators across the Commonwealth Network, which now supports 46 women peacebuilders from 21 countries.
- We delivered over £4 million of programming to support governments and civil society partners in repealing or reforming laws, which discriminate against LGBT+ people.
- The UK's ongoing support to the Commonwealth Small States Office in Geneva, including the funding of two dedicated Commonwealth human rights advisers, helped Commonwealth small states engage with the UN Human Rights Council and fulfil their human rights treaty obligations.
- We increased international awareness and action on Disability Inclusion and addressed often multiple forms of discrimination, including action on violence against women and girls with disabilities. We co-chaired the Global Action on Disability (GLAD) network until March 2021, handing over to the government of Norway to lead international action on efforts to combat and reverse discrimination.
- We widened the evidence base on what works to support people with disabilities, through the Disability Inclusive Development programme (£37 million). Activities testing different radio show formats in Nigeria and Tanzania provided evidence about what format is most effective in changing people's attitudes and prejudice towards people with disabilities.
- We continued funding the Global Disability Summit Secretariat within the International Disability Alliance. The Secretariat leads accountability for the 171 sets of

commitments that were generated at the Global Disability Summit in 2018.

The COVID-19 pandemic has interrupted a period of sustained progress in **global poverty reduction**. The world faces an unprecedented humanitarian crisis resulting from the triple threat of conflict, compounded by climate change and COVID-19. We will maintain the UK's role as a force for good at times of crisis, while strengthening and modernising the collective international humanitarian response. In 2020-21:

- Social protection was a core part of the FCDO's response to the socio-economic impacts of the pandemic on poor and vulnerable families, including loss of income. We worked with partner governments to strengthen their social protection systems in more than 25 countries and supported governments and international partners to scale up their social protection support for the most vulnerable, to help them meet their basic needs and protect their livelihoods. We also established a COVID-19 social protection helpline (SPACE) that provided expert advice to 35 countries, on how to use or adapt social protection systems to respond to crises.
- The FCDO established the Hygiene and Behaviour-Change Coalition with Unilever, jointly investing up to £100 million in a unique programme to promote frequent handwashing with soap and surface hygiene – reaching 1 billion people across 37 countries. The coalition supported access to drinking water in humanitarian contexts, including 19 Internally Displaced Person (IDP) camps in Yemen.

- We adapted existing development programmes to address the impacts of COVID-19 on food security. The COVID-19 pandemic, conflict, locust swarms and climate change have left 250 million people worldwide facing extreme hunger in the past year. The Global Agriculture and Food Security Program (GAFSP) committed all remaining funds to mitigate COVID-19 impacts. In Bangladesh, lockdown restrictions had a disruptive impact on agricultural supply chains affecting food accessibility, agriculture input supplies, jobs, and farmer incomes. GAFSP supported a national network of producer organisations with over 8,000 smallholder farmers and set up 57 call centres to act as communication hubs between farmers, input dealers, traders, and service providers – facilitating the sale and delivery of food commodities and agricultural inputs in ways that minimised the risk of transmitting COVID-19. The virtual call centres have benefitted about 30,000 small-scale farmers, of whom 46% are women.
- The UK, as a force for good in the world, has led by example through its launch of the Call to Action to Prevent Famine and appointment of the UK’s Special Envoy on Famine Prevention and Humanitarian Affairs in September 2020. This work demonstrates UK commitment to engage at senior levels across the humanitarian system to drive change and bring the international community together to tackle increasingly severe risks of famine and food insecurity, because it’s the right thing to do and it protects British interests. We can only tackle these global challenges by combining our diplomatic strength with our world-leading aid expertise. The Call to Action has worked across four objectives in the last year: mobilising prioritised, quality funding

(including from International Financial Institutions) to the most vulnerable countries, catalysing political action to unblock humanitarian access and protection of civilians in these contexts (for example through the UK’s creation of a Group of Friends of Action on Conflict and Hunger at the UN Security Council), driving improved data and coordination and strengthening resilience to food crises to avert the risk of famine/food insecurity in the longer-term.

## **PO 2: Make the UK safer and more resilient to global threats**

*The international security environment is deteriorating. Strategic geopolitical competition is intensifying, changing the nature of threats we must detect and counter and widening the geographic spread of our security concerns issues. COVID-19 has highlighted the convergence of economic, health and security risks and enhanced the importance of supporting British people to stay safe abroad.*

*The UK can only maximise the benefits of our openness if we are strong and secure at home. Security is essential to an international order in which open societies and economies like the UK can flourish and collaborate in pursuit of shared goals, free from coercion and interference.*

*The FCDO will play a critical role in strengthening international security and making the UK safer and more resilient to global threats. Our capacity to prevent, deter, respond to and mitigate most threats relies on our relationships and influence abroad. We will coordinate the delivery of activity and relationships overseas to protect and promote UK resilience and a resilient global health system.*

## Global Goals

The FCDO's work under this outcome contributes to the following Global Goals, amongst others:



## Activities and Achievements in 2020-21

We provide resilient, professional, empathetic, and high-quality **Consular Services** for all who need it, 24/7/365 days a year. The FCDO helps British people living and travelling abroad take responsibility for their safety. In 2020-21:

- The FCDO coordinated a repatriation effort that had no post-war precedent in terms of scale, complexity and duration. We provided personalised consular support in over 25,000 new cases, up 12% from the previous year, while continuing our support in 9,000 ongoing cases. We also issued 13,000 emergency travel documents and our 24/7 Consular Contact Centre answered around 500,000 enquiries. The FCDO travel advice pages were updated 7,700 times (a 98% increase compared to the previous Financial Year).
- 86% of British people who accessed Consular Services were satisfied with the service they received, exceeding our the existing benchmark of 80%.

The FCDO works to strengthen **global health security** through supporting the provision of life saving **vaccines** to low and middle-income countries. We coordinate the delivery of activity and relationships overseas

to protect and promote UK resilience and a resilient global health system. In 2020-21:

- In addition to our work supporting the development and roll-out of COVID-19 vaccines, the UK hosted the Global Vaccine Summit in June 2020, raising nearly US\$8.8 billion to support Gavi's mission to immunise a further 300 million children, including catching up on routine immunisations interrupted by COVID-19. The UK was the largest donor, pledging the equivalent of £330 million per year, over the next five years.

The FCDO is committed to developing clearer areas of UK speciality in **conflict resolution and dispute management**, better aligning our tools and capabilities to improve the UK's **defence and resilience**. We are doing more upstream to reduce threats, including from hostile states, terrorists, criminals and from new threats. We contribute to effective international efforts to prevent, manage, and support the transition out of conflict. In 2020-21:

- In Nigeria, the FCDO supported aims to counter violence through inter-faith dialogue and community reconciliation processes. In Jonglei state, South Sudan, an area of intractable conflict with extreme levels of humanitarian need, FCDO supported peace dialogues including through enhancing the capacity of Women Mediators across the Commonwealth Network.
- The UK continued to support the UN Peacebuilding Fund (PBF), the UN's only dedicated peacebuilding programme. PBF investment in Kasai and Kasai Central, Democratic Republic of the Congo (DRC), contributed to the fight against impunity, the establishment of provincial Truth and Reconciliation Commissions and local peace committees to facilitate intercommunal dialogue.

- The FCDO's peacebuilding programme in Myanmar supported 80 local administrators with mediation training, enabling conflict-affected communities in the Mandalay region to manage resource-based conflicts more peacefully. Evidence suggests this is successfully resolving inter-communal disputes, including conflicts emerging from the COVID-19 response.
- The FCDO worked towards the establishment of a Conflict Centre, which will develop a more integrated UK approach to conflict and instability, harnessing conflict expertise from across the FCDO, the UK Government and beyond, and applying these where the UK can make a difference.
- The FCDO led diplomatic engagement to bolster the UK's campaign to counter malicious cyber activity. We have grown the coalition of governments willing to work together to coordinate policies and actions to deter and respond to those who act recklessly in cyberspace. We were at the forefront of work to establish the European Union (EU) cyber sanctions regime and designate the first 12 actors for malicious cyber activity in 2020. The new autonomous UK cyber sanctions regime came into force on 31 December 2020, creating an important tool to impose costs on those conducting malicious cyber activity against us and our allies.
- The FCDO continued to invest and support the Get Safe Online campaign, delivering the World's first 24-hour online safety campaign across 24 Commonwealth countries. The online safety campaign funded in the Caribbean and Pacific Commonwealth and Rwanda created a network of 149 online safety ambassadors across 19 countries to promote cyber hygiene. Online safety websites were created in 22 countries, 8 of these were presented in local languages, as well as English.
- All Commonwealth countries have benefited from UK cyber security capacity building, resulting in stronger networks to exchange knowledge and expertise, and increased resilience and understanding of cyber threats and how to mitigate them.
- In regions where the UK deems the risks to be highest, we have built capability of partner governments to tackle terrorism while protecting and promoting respect for international law and human rights. In Libya, we contributed to a counter terrorism strategy alongside investigations training to increase Libyan counter terrorism capacity and help UK agencies prevent attacks.<sup>6</sup> UK forensic training enabled the Libyan Criminal Investigation Department to provide UK agencies with vital bomb scene data, detailing the tactics and explosive devices used by terrorist organisations. We provide British Nationals with up to date advice and support on the terrorist threat to travel overseas, through our regular updates to FCDO travel advice, highlighting the latest developments in the terrorist threat, including real time advice during terrorist incidents overseas. In 2020-21, we also provided direct support to British Nationals affected by terrorism overseas, including during the Palma attack in Mozambique.
- The Integrated Review reaffirmed the North Atlantic Treaty Organization (NATO) as the cornerstone of our defence. In 2020-21, the UK maintained its position as the top defence spender in Europe, participated in every NATO operation and mission and continued to declare our

---

<sup>6</sup> CSSF Programme funded: 2020-21 allocation £1,513,000

nuclear deterrent to the defence of the Alliance. The UK's role in shaping "NATO 2030" (the results of a review to ensure that NATO remains the most successful Alliance in history) ensured close alignment between the Alliance's approach and outlook, and the Integrated Review. On Russia, we continued our deterrence activities, including through deployments to Baltic Allies through enhanced Forward Presence (eFP). The UK is the largest contributor to eFP, with c.900 troops in Estonia and Poland. We also continued to strengthen NATO partnerships with Ukraine and Georgia and deepen ones in the Indo-Pacific. Outside the Euro-Atlantic area, the UK worked with Allies to expand NATO's mission in Iraq in support of local security forces, and made a significant contribution to the work of NATO's Resolute Support Mission in Afghanistan, prior to its withdrawal.

- We continued our work to uphold the global ban on chemical weapons use under the Chemical Weapons Convention (CWC) and to hold to account those who use chemical weapons. In response to Syria's use of chemical weapons, and its failure to cooperate with the Organisation for the Prohibition of Chemical Weapons (OPCW), the UK co-sponsored a decision to suspend Syria's voting rights and other privileges under the CWC. The decision secured overwhelming support in the OPCW Conference of States Parties in April 2021. The UK also continued to support the OPCW's wider work, making significant contributions to capacity-building projects in Africa and to the OPCW's new Centre for Chemistry and Technology.
- The UK worked with the International Atomic Energy Agency, international partners, and UK contractors on a project to remove the last highly-enriched uranium material from Latin America, reducing the

risk of terrorists obtaining and misusing this material. As part of the UK's engagement on DPRK sanctions evasion, we hosted a virtual meeting of G7+ partners, and used our network to take part in a joint lobbying effort on North Korean overseas workers. The UK has continued to support the IAEA's monitoring and verification activities in Iran: in 2020-21 we contributed £900,000 to this work.

- We worked closely with partners across the UK Government, universities, funding bodies and industry to protect our higher education and research sector from foreign interference. We expanded the Academic Technology Approval Scheme (ATAS) to cover advanced conventional military technology and increased its scope to include all researchers in proliferation-sensitive areas, considerably strengthening our protective measures.
- We successfully completed mine clearance operations in the Falkland Islands on 14 November 2020. This marked the release of 23 million square metres of land to the local population and fulfilled the UK's obligation under the Anti-Personnel Mine Ban Convention.

We are positioning the UK as a global leader on **Outer Space**, building on the landmark UK-led UN General Assembly resolution 75/36 on reducing space threats through norms, rules and principles of responsible behaviour aims, to reduce the risk of miscalculation and escalation leading to conflict in or from space. We are also committed to ensure the sustainability of the space environment. In 2020-21:

- We engaged internationally to get a resolution adopted at the UN General Assembly RES/75/36 on norms, rules and principles of responsible space behaviours to reduce the risk of conflict arising from state threats to space systems.

- We encouraged the international debate on issues to support our space sector, promoting academic and industry views in discussions at the Committee on the Peaceful Uses of Outer Space (COPUOS) in Vienna.
- Following the success of shepherding the 21 guidelines for the Long-Term Sustainability of Outer Space (LTS) through the COPUOS and then the UN General Assembly in 2019, the UK encouraged other States to write them into their own regulations and legislation. We demonstrated UK leadership on this issue by submitting an annual report on our own implementation, led by the UK Space Agency.

### **PO 3: Extend and amplify the UK's influence in the world, including through successful application for ASEAN dialogue partner status**

*The UK is a European country with uniquely global interests, partnerships and capabilities. But against the global backdrop of increasing uncertainty, the effectiveness of 'Global Britain' will depend upon our ability to extend and amplify the UK's international influence. We must ensure that the UK is well-placed to take advantage of emerging markets, shifts in the global economy, and global progress in science and technology.*

*The FCDO will mobilise our diplomatic and development influence. We will move with greater speed and agility, amplifying our strong independent voice by working with and influencing others at the heart of a network of like-minded countries and flexible groupings.*

### **Global Goals**

The FCDO's work under this outcome contributes to the following Global Goals, amongst others:



### **Activities and Achievements in 2020-21**

The FCDO works to extend and amplify the UK's influence in the world to support shared prosperity and **regional and global stability**. We work to strengthen our diplomatic, security and trading ties to ensure we *Leave No One Behind* and are a **force for good in the world**. We support our international partners and will stand up to defend our international values. In 2020-21:

- As Commonwealth Chair-in-Office, the UK continued to deliver on the shared priorities which Leaders set out at the 25th CHOGM in London in 2018 under the headings of fairness, security, sustainability and prosperity.
- In Hong Kong, we worked to uphold the Sino-British Joint Declaration, the legally binding treaty with China which set out the terms of Hong Kong's return to China. As China continued to erode Hong Kong's high degree of autonomy and reduce rights and freedoms of the people of Hong Kong by introducing a National Security law, new rules to disqualify Hong Kong legislators, and make radical changes to restrict participation in Hong Kong's electoral system, the FCDO led diplomatic efforts to highlight the situation globally and to call on China to adhere to its legally-binding obligations. During the latter half of 2020 and the first half of

2021, the UK declared three breaches of the Sino-British Joint Declaration (after declaring only one previous breach since the 1997 handover). On 6 October 2020, alongside Germany, we brought together a total of 39 countries to express grave concern at the situation in Xinjiang and Hong Kong in a joint statement at the UN General Assembly Third Committee. This built on the UK's joint statement at the Human Rights Council in June, where we secured support from 27 other countries. On 22 February 2021 the Foreign Secretary attended the UN Human Rights Council, and called for the UN to respond, and undertook to continue to raise international support for Hong Kong. The FCDO worked closely with the Home Office and other departments to establish a new bespoke visa route for British Nationals (Overseas) and their close family members; 34,300 people applied to the scheme between January and March 2021.

- Russia's actions continued to pose an acute and direct threat to the national security of the UK and its partners. We responded to this destabilising activity wherever it occurred. We announced a series of attributions and responses to cyber-attacks, political interference, and other malign activity by Russia. In response to the chemical weapons attack on Alexei Navalny and his detention on arbitrary charges, the FCDO led diplomatic efforts at the Organization for Security and Co-operation in Europe (OSCE), Council of Europe, and UN Human Rights Council to condemn these actions and call on Russia to uphold its international obligations. We led a joint statement in the Organisation for the Prohibition of Chemical Weapons supported by 58 States Parties, calling for Russia to be held to account and enforced asset freezes and travel bans

on six individuals and one organisation responsible for the poisoning. The FCDO continued to maintain channels of engagement with the Russian government in support of UK interests, to raise concerns and discuss shared global challenges, including a visit to Moscow in November 2020 by the FCDO Minister for Europe and the Americas, as well as continuing to promote people-to-people links between cultural institutions and universities.

- The FCDO led cross-Government work and coordination with international partners to address Iran's nuclear programme. This included using the mechanisms of the Joint Comprehensive Plan of Action (JCPOA) and coordination with France, Germany, and the United States, as well as China and Russia, to press Iran to return to full compliance with its JCPOA commitments. The UK also continued to meet its JCPOA commitments and go beyond them through support to the Instrument in Support of Trade Exchanges (INSTEX) trade facilitation vehicle, to promote humanitarian trade with Iran. We continued to hold Iran to account for its destabilising and dangerous actions in the region and further afield, including through the promotion of maritime security in the Persian Gulf to ensure the safety of shipping through the Strait of Hormuz. Iran's human rights record continues to be of serious concern to the UK and it remains one of the FCDO's Human Rights Priority Countries. We raised human rights with the Iranian government at all levels and acted with the international community to press Iran to improve its poor record. At the Human Rights Council in March 2021, we strongly supported the renewal of the mandate of the UN Special Rapporteur on the Situation of Human Rights in Iran.

- The Global Human Rights sanctions regime was established in July 2020 – giving the UK a powerful tool to hold to account those involved in serious human rights violations or abuses around the world, using targeted asset freezes and travel bans. Since its launch, we have designated 78 individuals and entities from 10 countries. This includes designations in relation to the mistreatment and death of Sergei Magnitsky, the murder of Jamal Khashoggi and the serious human rights violations that have taken place – and persist – in Xinjiang. In December 2020, we imposed sanctions on Russian individuals and entities responsible for torture and murder of LGBT people in Chechnya. On 15 October 2020, under the EU’s chemical weapons sanctions regime, the UK enforced sanctions against six individuals and an entity involved in the poisoning and attempted murder of Russian activist Alexei Navalny. The UK applied these sanctions under our own independent sanctions regime, which sends a strong signal that we will continue to hold those responsible to account. To transfer EU and UN sanctions regimes into UK domestic law and to extend those regimes to the Crown Dependencies and Overseas Territories, we laid almost 100 statutory instruments under the Sanctions and Anti-Money Laundering Act 2018 (the Sanctions Act). The new regimes came into force at the end of the Transition Period (31 December 2020). At the same time, we transitioned into UK law approximately 1,000 EU sanctions designations. These are published on [GOV.UK](https://www.gov.uk) in the UK Sanctions List. This list also contains those designated by the UN (also approximately 1,000), designations that the UK is required by international law to implement.

Through our ambition to make the UK a **Great Science, Technology and Data Power**, we deliver cutting-edge technology and research-led solutions in health, education, resilience, low carbon technologies, agriculture and economic development, conflict, and poverty. In 2020-21:

- With the department for Business, Energy and Industrial Strategy (BEIS), the FCDO led work internationally to support the transition to secure clean, low-cost energy that helps mitigate climate change and ensures no one is left behind. FCDO programmes supported improved access to modern energy through off-grid renewable sources. The recently completed £40 million Results Based Financing (RBF) for Low Carbon Energy Access programme pioneered a ‘payment for results’ approach to stimulating energy markets and increasing private investment. Over 5.7 million people have gained improved access to clean energy as a result of the programme using technologies such as domestic solar, household biogas, and cleaner cookstoves. The UK announced that from 31 March 2021, the government will no longer provide support for the fossil fuel energy sector overseas, other than in limited circumstances.
- The FCDO’s Frontier Technologies Hub programme tested and scaled frontier technology such as drones and Artificial Intelligence. Through 38 pilots since 2016, the programme has built capability across the department on a range of technologies including electric vehicles in Kenya and Rwanda, and drones for infrastructure monitoring in Tanzania and tackling locust outbreaks in East Africa.

To build a better world, we need to be supportive, empathetic, inventive, passionate, and above all, cooperative. SDG 17 promotes strong global partnerships and cooperation, through means including trade, research partnerships and Official Development Assistance, ensuring a **strategic approach to international development**. In 2020-21:

- The UK published the Integrated Review of Security, Defence, Development and Foreign Policy. This defines the Government's ambition for the UK's role in the world and the long-term strategic aims for our national security and foreign policy, sets out the way in which the UK will be a problem-solving and burden-sharing nation and also sets a strong direction for recovery from COVID-19, at home and overseas, so that together we can build back better.
- With UK support, the multilateral development banks made over US\$200 billion available to low-income countries. We worked with our G20 partners to extend the Debt Service Suspension Initiative, which suspends debt repayments to official bilateral creditors from the world's poorest countries (to December 2021); made a leading contribution of £150 million to the IMF's Catastrophe Containment and Relief Trust; and committed an additional £2.2 billion loan to the Poverty Reduction and Growth Trust Fund to finance concessional IMF's lending programmes in the poorest countries.
- Low-income countries which traded with the UK under the EU's Generalised Scheme of Preferences (GSP) continued to benefit from preferential tariffs through the UK's new GSP since 1 January 2021.

We seek closer relations in the **Indo-Pacific**. The Indo-Pacific region matters to the UK: it is critical to our economy, our security and our global ambition to support open societies. As outlined in the Integrated Review, the UK will be the European partner with the broadest and most integrated presence in the Indo-Pacific – committed for the long term, with closer and deeper partnerships, bilaterally and multilaterally. The UK will seek closer relations through regional institutions, such as the **Association of Southeast Asian Nations (ASEAN)**, to tackle global challenges, support ASEAN's central role in regional stability and prosperity and enable sustainable development in South East Asia. In 2020-21:

- The UK submitted its application to become an ASEAN Dialogue Partner in June 2020. The Foreign Secretary has reaffirmed that the UK will be an energetic and dependable partner in the growing prosperity of the Indo-Pacific region. He has demonstrated UK commitment during several visits to the region in 2020-21, including a visit to India in December 2020. In September 2020, he also visited the Republic of Korea and Vietnam and helped secure new Free Trade Agreements with both countries. The UK continued to deliver Indo-Pacific Tilt objectives during our year of international leadership ahead of the G7 and COP26. The Foreign Secretary extended guest invitations to the G7 Foreign and Development Ministers' Meeting to Indo-Pacific countries including India, Australia, the Republic of Korea, and Brunei (as the ASEAN Chair) in order to drive G7 engagement and to broaden UK reach and appeal in the Indo-Pacific.

- The UK has, and continues to, tackle climate change, using both adaptation and mitigation activity to support a transition to clean, resilient and sustainable growth in the Indo-Pacific through influence with major and growing emitters and the most vulnerable countries, linked directly to our wider COP26 strategy. The UK also launched negotiations for ambitious new free trade agreements with Australia and New Zealand, and we will pursue accession to the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), to secure increased trade and investment opportunities, and to diversify our trading links and supply chains, embedding open trade and integration.

**Economic growth** that delivers decent work for all is the cornerstone for advancing global prosperity, equal economic opportunities, and the elimination of poverty. It provides a key foundation for global mutual interdependence that promotes international security and a more resilient, interconnected, more technologically advanced world. We enable low-income countries' integration into the global economy, **creating stronger trade and investment partners for the future**, through economic partnership agreements and an improved unilateral trade preferences scheme that contribute to poverty reduction and strengthen our supply chains. In 2020-21:

- The FCDO funded a range of initiatives targeted at expanding investment and boosting intra-Commonwealth trade, including our support for the Commonwealth Standards Network, our leadership, with South Africa, of the Digital Cluster of the Commonwealth Connectivity Agenda and our investment in SheTrades Commonwealth, which has helped over 3,000 women-owned businesses to expand internationally and helped generate almost £30 million in sales in its four target countries.
- The FCDO worked through the International Financial Institutions to ensure governments and business in low-income countries can access affordable financing and advisory support, and to urgently establish safety nets to protect the most vulnerable – supporting over US\$300 billion in financing.
- CDC Group committed over US\$400 million of finance, supporting businesses in Africa and South Asia, the regions with the worst poverty impacts, to protect jobs and incomes. In response to COVID-19, CDC pivoted all of its investment activities to help tackle the economic and healthcare impacts of the pandemic in Africa and South Asia, by supporting existing client businesses to safeguard their development impact and weather the crisis, and by looking at ways to scale up their response, extending financial support and expert advice to other businesses suffering from the effects of the crisis.
- The Vulnerable Supply Chains Facility (VSCF) was set up in August 2020 to enable vulnerable people and supply chains in agriculture and the garments sectors to recover from and remain resilient to the economic and social impacts of COVID-19 – explicitly targeting women who are more likely to have lost jobs. The VSCF is expected to provide 300,000 people (50%+ women) with direct access to services to boost their resilience and benefit up to 800,000 people in wider communities through strengthened and more resilient supply chains.
- The FCDO made a tangible contribution towards closing the global infrastructure gap with low carbon, resilient and

inclusive infrastructure, enabling essential services to enhance beneficiary countries' prosperity, public health, and well-being, whilst helping unlock stimulus investments that are particularly relevant to counter the impact of the pandemic. The FCDO's support to CoST – the Infrastructure Transparency Initiative – led to US\$460 million in cost saving to public funded infrastructure projects by the Government of Thailand.

- We supported research to strengthen sectors particularly impacted by COVID-19, such as global transport and energy systems, through our £18 million High Volume Transport (HVT), £28 million Research for Community Access (ReCAP), and £15.5 million Energy and Economic Growth (EEG) programmes.
- Our £100 million Manufacturing Africa programme worked with governments, foreign manufacturing producers, buyers, and financiers to remove market barriers and broker new high-impact investment deals. In 2020, the first year of implementation, a pipeline of 594 potential deals were established that has the potential to generate up to £3.2 billion in additional Foreign Direct Investment (FDI) and create or maintain 82,870 direct and indirect jobs. Support was completed for seven investment deals facilitating £42 million in FDI and creating 9,700 jobs. The programme also responded to COVID-19 by re-orienting activities to support investors and local governments in their response.

The UK left the European Union<sup>7</sup> on 31 January 2020. The UK Government's Integrated Review of Security, Defence, Development and Foreign Policy noted that we remain deeply invested in the security and prosperity of Europe. Our exit from the EU means we have the opportunity to follow different economic and political paths where this is in our interests, and to mark a distinctive approach to foreign policy. Equally, we will work with the EU where our interests coincide – for example, in supporting the stability and security of our continent and in cooperating on climate action and biodiversity. In 2020-21:<sup>8</sup>

- Under the Withdrawal Agreement, the UK sought to meet outstanding commitments from the 2014-2020 EU budget including external action, development, and humanitarian aid (Heading IV of the 2014-2020 EU budget). The UK also undertook to meet outstanding commitments for the off-budget European Development Fund (EDF), the EU Emergency Trust Fund for stability and addressing root causes of irregular migration and displaced persons in Africa (the EUTF Africa), and to the Facility for Refugees in Turkey (FRIT). This means a declining tail of UK contributions to EU development programmes until 2027, which is part of the wider financial settlement in the Withdrawal Agreement.
- The EU-UK Trade and Cooperation Agreement provides for UK-EU cooperation on current and emerging global issues of common interest, including sustainable development amongst other areas. Eurostat produces an annual monitoring report on progress

<sup>7</sup> We are unable to comment on how the EU Exit altered centrally agreed Strategic Objectives or Priority Outcomes in 2020-21, as these were not established for the 2020-21 Financial Year.

<sup>8</sup> The Financial Review section of this report provides detail on the spend incurred over the 2020-21 Financial Year on EU Exit.

towards the Sustainable Development Goals in an EU context (which includes EU external action).<sup>9,10</sup> The EU global response to COVID-19 includes supporting efforts to halt the spread of the virus and helping countries to strengthen their healthcare, water and sanitation systems. The EU has contributed €1 billion to COVAX to help ensure safe and effective vaccines for low and middle-income countries.

- The FCDO's responsibility for the UK's residual share (equity and liabilities) of European Investment Bank (EIB) external mandate guarantees and investments, that we have been part of whilst an EU Member State and until the end of the Withdrawal Agreement Implementation Period (31 December 2020), continued. These commitments are long-term, generally several decades, including the EIB African, Caribbean and Pacific (ACP) Investment Facility and guarantees to EIB own resources lending to ACP countries and the Overseas Countries and Territories.
- In 2020 the Cabinet Office developed a large cross-government operation, D20, designed to ensure that the UK Government could mitigate any impact of the end of the EU Transition Period on UK Citizens and on the economic stability of the UK. The FCDO's role in this operation was to assess, manage and mitigate the international-facing risks and impacts. The Trade and Cooperation Agreement reached with the EU removed some of the issues, but we still needed to be ready to respond to disruption at the end of the Transition Period, particularly for business and for UK nationals travelling to the EU.

A huge amount of work went into planning and delivering the response, against a challenging backdrop and considerable uncertainty. Over the autumn we trained over 400 staff from across the department. We stood up operations at the end of December: at its height, our response entailed two shifts in London, with roughly 50 people a shift, seven days a week. 32 Posts in our European network also stood up response structures, and surge teams deployed and on standby to high-volume passenger terminals. We remained in enhanced response for 8 weeks. During the response the FCDO lobbied EU Member States to apply the correct immigration rules for UK residents, worked with the Department for International Trade (DIT) to resolve issues with European logistics companies, provided consular support, and maintained the supply of UK food products to Gibraltar. The team also worked to lobby EU Member States on their procedures for testing hauliers travelling from the UK and supporting the UK Government's work on vaccines. Together with the ongoing response to COVID-19, getting this right was the Government's top priority for the end of 2020. Despite all the pressures – including the need to respond quickly to a new strain of COVID-19 over the same period affecting the entry of British Nationals into other countries– the FCDO delivered an excellent response, tackling problems promptly and effectively, with skill, expertise and agility.

- The FCDO maintained responsibility to deliver the cross-government International Agreements Programme – established to

<sup>9</sup> Eurostat. Sustainable development in the European Union: Monitoring report on progress towards the SDGs in an EU context. **2020 edition**. Goal 17 p307-320

<sup>10</sup> European Commission Staff Working Document **SWD(2020) 400 final** "Delivering on the UN's Sustainable Development Goals – A comprehensive approach". November 2020. EU engagement in the World, p12-15

transition key international agreements in which the UK previously participated as a member of the European Union, where it was in the UK's interests to do so. Thanks to a huge effort involving 10 departments, the programme delivered 150 agreements with over 90 countries and 22 multilateral organisations, covering a range of issues critical to UK interests, including trade, nuclear energy, aviation, customs, fisheries and security. Legacy FCO played a key role throughout, coordinating the overall programme, providing legal and policy advice, directly negotiating some of the agreements, supporting other government departments through the Diplomatic Network, and bringing the agreements into force. This has been a significant and historic achievement. The UK has never previously concluded so many international agreements in such a short time period. The success of the International Agreements Programme reinforces our sovereign relationship with friends and partners across the globe.

## **FCDO's Risk Profile**

The FCDO operates globally and seeks to deliver on ambitious objectives in challenging environments, and therefore faces a wide range of risks.

In 2020-21, the direct and indirect effects of the COVID-19 pandemic on the people, policies, programmes and resources of FCDO have been unprecedented. High levels of uncertainty in relation to delivery of pre-existing and COVID-19-related objectives have been a defining feature of the already complex risk profiles of the FCDO and its predecessor departments this year, as well as exacerbating and complicating the handling of many other risks.

The FCDO was created through merging DFID and FCO in order to act as a springboard for the UK's international efforts. The FCDO transformation process underway is expected to realise significant benefits for the UK. To achieve this, we have accepted the short-term risks of implementing an ambitious merger, which requires setting new policies and systems and bringing together our diverse staff to forge a new culture.

The risks on the FCDO Principal Risk Report cover the breadth of the department's work. These are summarised below through the lens of our seven risk categories.

**Strategy and context** risks relating to the potential actions of competitors and adversaries have increased, while risks relating to conflict and instability remain high. We address these risks through diplomatic engagement, robust, consistent, and clear messaging, and cooperation with allies and partners. The risk of divergence or misalignment between UK positions and those of our allies and partners, which could undermine UK objectives, are mitigated through continuous and broad engagement and discussion with our partners at all levels, from Ministerial to working level. COVID-19 continues to pose significant risks to our staff and network, programme monitoring and management, ability to respond to crises and deliver consular services. The risk posed by a global economic slowdown has decreased. The wider effect of COVID-19 on the impact, likelihood and mitigation of other risks is also considered and addressed.

**Policy and programme delivery** risks have changed over the course of 2020-21. The risk posed to UK objectives by the UK-EU future relationship has much reduced following the end of the Transition period. Risks arising from specific aspects of the relationship have been addressed through

direct political and diplomatic engagement. The risk to the FCDO's ability to deliver humanitarian response where needed around the world has increased, due to COVID-19 and its impact on travel, transport and resources, while the demand for humanitarian assistance has also increased. Rigorous prioritisation of responses has been strengthened, and we have continued our engagement with other donors to deliver the best possible coordinated responses. We have faced risks to our supply chains through COVID-19 and the implementation of ODA reductions and have worked in partnership with our supply partners to tackle these.

### **Public service delivery and operations**

include risks to crisis response and consular delivery, which have fluctuated based on COVID-19 impact and been addressed through surging in additional resources to respond to the needs of UK citizens and putting in place virtual access to previously in-person services. The risks to maintaining our estate and cyber-security remain high and we have placed particular emphasis on ensuring programmes are in place to address the challenges.

Our **people** risks have remained elevated due principally to COVID-19 restrictions, the challenges of delivering diplomacy and development in the current global context and a high volume of change through transformation as a result of the merger. The resilience of staff across our global network and in the UK has been under significant pressure. The department has maintained a consistent focus on the wellbeing and resilience of staff, and support for our global network through a turbulent period. This has included a staff vaccination programme, exemptions from management quarantine, and financial support for quarantine and testing. We will retain a strong focus on boosting this support further

and strengthening the resilience of our overseas network as we move into 2021-22.

We continue to manage the **safeguarding** risk to programme beneficiaries and staff through the delivery of a medium-term strategy to improve prevention of and response to sexual abuse and exploitation and sexual harassment.

**Financial and fiduciary risks** have varied over the course of the year. The risk of fraud and aid diversion rose initially due to COVID-19, but later reduced through implementation of strengthened controls. We have managed new financial risks to implement the temporary reduction of Official Development Assistance from 0.7 to 0.5% of GNI in 2021. We continue to work closely with partners, and across strategy, finance, commercial and programme delivery teams to implement the budgetary reductions.

The varied nature of the FCDO's work, its multiple commitments, and the challenging environments we face, set against high public expectations of delivery by the FCDO, have resulted in significant risk to the FCDO's **reputation**. This has been addressed through development and delivery of appropriate strategies, prioritisation of consular delivery, robust management of policy and programme delivery risks, effective relationship management and good communication.

# 1.3

## Financial Review

**In 2020-21, the FCDO successfully managed their finances within all Parliamentary and HM Treasury controls. The year saw a major impact of COVID-19 on operational costs and project delivery, and the need to bring together the finances of the FCO and DFID. The Government also announced the decision to reduce temporarily the overall amount spent on Official Development Assistance from 0.7 to 0.5 per cent of Gross National Income from 2021-22.**

### The Public Sector Budgeting Framework

The FCDO's spending is broken down into several different spending totals, for which Parliament's approval is sought.

The spending totals which Parliament votes are:

- Resource Departmental Expenditure Limit (**Resource DEL**) – programme funds, running costs, frontline diplomacy, the overseas platform, scholarships, grants to international organisations and other bodies supporting FCDO objectives, and associated non-cash items.
- Capital Departmental Expenditure Limit (**Capital DEL**) – investment in capital assets, capital grants, research and development, loan funding to the British Council, and investments and assets to create growth in the future for either the UK, or our partner governments.
- Resource Annually Managed Expenditure (**Resource AME**) – less predictable spending: in the FCDO's case this largely consists of non-cash accounting costs, such as provisions, unrealised foreign exchange gains or losses, and the impact of changes in the valuation of the FCDO's development capital investments. It also includes the refund of certain taxes and duties paid by foreign and Commonwealth governments.
- Capital Annually Managed Expenditure (**Capital AME**) – this covers the FCDO's capital injections in its wholly owned self-financing public corporation, CDC Group plc.

## 2020-21 Outturn compared to Estimate

£m	Outturn	Estimate	Saving (£m)	Saving (%)
Resource DEL	9,914	9,941	27	0.3%
Capital DEL	2,871	2,977	106	3.6%
Resource AME	617	703	86	12.2%
Capital AME	650	650	0	0%

The main financial performance indicators used to monitor FCDO's activities are the budgetary control totals established through the Main and Supplementary Estimates, the profiling of these costs on a monthly basis, and the variance between actual and budgeted costs. Any significant variances on each operational area are identified and explained on a monthly basis and, where required, action is taken to understand and, where appropriate, address movements.

### Outturn Against Estimate Variances

This explains how the FCDO's spending compared to the amounts voted by Parliament in the Estimates. The figures are shown in the Statement of Parliamentary Supply (SOPS) (page 144).

### Resource DEL

**SOPS 1.1 – Headings A through to N: an underspend of £27 million (0.3%) of £9.9 billion budget.**

The FCDO reprioritised resources within Parliamentary controls to absorb in-year underspends. The anticipated underspend on operating costs due to the impact of COVID-19, allowed the FCDO to maximise programme spend on critical aid programmes in the late stages of the Financial Year. The underspend includes £17 million of ringfenced depreciation which cannot be used to cover other expenditure.

### Resource AME

**SOPS 1.1 – Headings O, Q and R: an underspend of £86 million (12.2%) of £703 million budget.**

Resource AME expenditure is volatile in nature and the FCDO takes a conservative approach towards forecasting its requirements. We need to ensure there is sufficient headroom in budgets to accommodate the impact of unforeseen global events on foreign exchange rate volatility and market conditions. Headings O and Q show an underspend of £83 million. This relates to non-cash AME for accounting adjustments including unrealised gains/losses on FCDO's financial instruments such as forward purchasing contracts; provisions; revaluations/impairments of the FCDO global estate and revaluations of development capital.

Heading R has an underspend of £3 million cash AME relating to the reimbursement of certain duties, taxes and licence fees paid by diplomatic missions in the UK.

Resource AME expenditure in 2020-21 (£000)	FCDO (£000)
Financial Instruments unrealised FX Losses/(Gains) (e.g. peacekeeping forward purchase contracts and promissory notes)	66,812
Reimbursement of duties and taxes	36,679
Provisions (in particular, financial commitments to the GAVI vaccines alliance and terminal gratuities)	351,437
Impairments (revaluation of worldwide properties) & AME Depreciation	59,723
Movement on defined benefit pensions	136
Loan discounting	(39,851)
Development Capital Fair Value revaluations	37,442
Financial guarantee	105,000
<b>Total</b>	<b>617,378</b>

## Capital DEL

### SOPS 1.2 – Headings D, E, F, G, I and L: an underspend of £106 million (3.6%) of £3.0 billion budget.

Of this underspend, £78 million (2.6%) relates to £130 million of additional ringfenced funding provided in the Supplementary Estimates to make available a loan facility of £145 million to the British Council, whose commercial income fell substantially due to COVID-19. The British Council drew down £52 million of the facility, which was significantly less than originally estimated due to a combination of rigorous cash management, cost-cutting measures, and commercial income picking up as teams delivered the backlog of exams and teaching centres re-opened. The underspend did not come at any opportunity cost to the wider FCDO.

The remaining £28 million (1%) underspend is the result of COVID-19's impact on project delivery, a timing issue on recognition of a debt instrument (£5 million), and a small buffer to protect year end controls.

## Capital AME

**SOPS 1.2 – Heading P:** there was a full spend of Capital AME. This represents investments in FCDO's wholly owned self-financing public corporation, CDC Group plc.

## Budget to Accounts Reconciliation

The FCDO's Resource Outturn (DEL and AME) was £10.5 billion compared to £14.2 billion net resource in the Consolidated Statement of Comprehensive Net Expenditure (SOCNE).

The key differences are:

- Capital grants and research & development (that meets ESA 10 criteria for the national accounts) are treated as expenditure in the resource accounts but as capital in budgets.
- Profit on disposal and income payable to the Consolidated Fund are in SOCNE, but not Resource outturn.
- The SOCNE does not include EU attribution, in line with rules on activities charged directly.

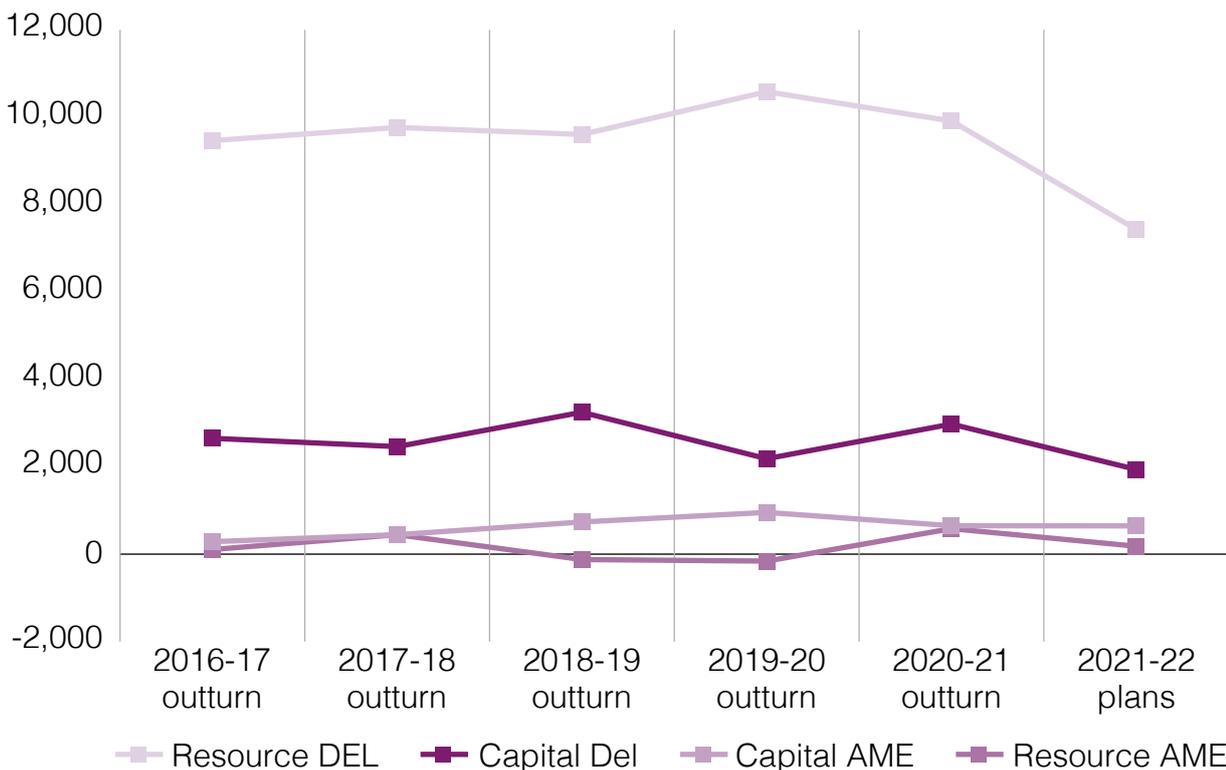
### Trend Analysis

The chart below shows overall spending for the last five years and plans presented in the Estimate for 2021-22. Prior year outturn figures have been combined for legacy FCO and legacy DFID, which merged in September 2020. There were different drivers of spending in the two departments: for example, DFID’s overall spending was underpinned by the 0.7% ODA commitment and the share of ODA funding allocated to other departments.

Points to note are:

- Resource DEL remained broadly stable until 2020-21, peaking in 2019-20 in part to meet the 0.7% commitment and due to a switch from Capital DEL to Resource DEL budget. Plans for 2021-22 reflect the decision to reduce temporarily the overall amount spent on aid from 0.7 to 0.5% of GNI.
- Capital DEL saw a reduction in 2019-20, predominantly as a result of a reduction in some of the UK’s key multilateral commitments as we approached the end of previous replenishment cycles. Plans for 2021-22 reflect the decision to reduce temporarily, the overall amount spent on aid from 0.7 to 0.5% of GNI.
- Resource AME is used primarily for accounting adjustments to provisions and financial instruments such as loans and shares. AME expenditure, by definition, is volatile – and in some years shows as negative spend.
- Capital AME budget is used to make investments in the FCDO’s wholly owned self-financing public corporation, CDC Group plc. Capital injections into CDC contributes towards the FCDO’s financial transactions target. This increased steadily year on year until 2019-20.

Spending Trends – combined FCO and DFID budgets, £ million



The information in the trend analysis ties to common core tables (Annex C), where further breakdowns are provided.

## Analysis of the Consolidated Statement of Financial Position

	2020-21 £000	2019-20 £000	Change £ £000	Change %	Explanation of movement between 2019-20 and 2020-21
Property, Plant and Equipment	2,565,044	3,103,226	(538,182)	-17.3%	Transfer of 3 UK properties to GPA £275.6 million. £170.0 million depreciation was charged in-year and there was a further £108.8 million of impairment driven by foreign exchange fluctuation.
Financial Investments	10,618,691	11,355,273	(736,582)	-6.5%	£1,310.0 million transfer to HMT of EBRD shareholding and £261.0 million loss in valuation of International Financial Institution shareholdings offset with £799.0 million additions (incl. £650.0 million CDC capital addition).
Cash and cash equivalents	222,327	96,212	126,115	131.1%	Cash held at year end is higher than usual due to transfer of cash from UK Visas & Immigration (UKVI) at period end.
Provisions (non-current)	(1,043,845)	(684,769)	(359,076)	52.4%	Increase driven by additional IFFIM Covax Provision £495.0 million offset by reduction in IFFIM provision £125.0 million.

## Detail of the Type of Spend Incurred Over the Year

### COVID-19

The FCDO received £130 million of additional funding in the Supplementary Estimate to make available a loan facility for the British Council; other spend on COVID-19 was met from within FCDO's 2020-21 settlement. The FCDO had considered seeking additional funding in the Supplementary Estimate from the Emergency Disaster Relief Fund, to cover the cost of the crisis response and to support Anguilla. However, we were able to

meet the costs from emerging underspends mainly driven by COVID-19's impact on our ability to deliver International Programmes and overseas maintenance projects; by reduced workforce travel; and by lower pay costs due to the recruitment freeze.

### Analysis of FCDO's COVID-19 expenditure

The table below sets out how FCDO's funds were spent on COVID-19. We are unable to comment on how COVID-19 has impacted upon centrally agreed Strategic Objectives or Priority Outcomes in 2020-21, as these were not established for the 2020-21 Financial Year.

How funds were spent	Total committed £000	Disbursed in 2020-21 £000	Disbursed in 2019-20 £000
<b>DEL expenditure</b>			
Research, development and distribution of COVID-19 vaccines, treatments and tests.	329,000	227,000	–
Support to the humanitarian response through UN agencies, Red Cross and other international non-governmental organisations, including UK charities.	314,000	287,000	–
Contributions to IMF's Catastrophe Containment and Relief Trust (CCRT) which provides grants for debt relief for the poorest and most vulnerable countries hit by catastrophic natural or public health disasters thus freeing up resources to focus on their COVID-19 country response.	150,000	150,000	–
Adaptation of existing programmes and new, in-country programmes directly related to COVID-19.	–	750,000	–
Loan to British Council to help manage the impacts of COVID-19.	–	52,000	–
Grant to British Council to help manage the impacts of COVID-19.	–	–	26,000
Repatriation support for UK travellers stranded overseas.	–	19,082	10,000
Loans to UK travellers stranded overseas.	–	2,218	–
Enhanced support for British nationals travelling overseas.	–	3,800	–

How funds were spent	Total committed £000	Disbursed in 2020-21 £000	Disbursed in 2019-20 £000
Procuring essential medical supplies, staff and logistical support to overseas territories, Security Assistance to local authorities in the Cayman Islands and the Turks and Caicos Islands, and supporting border security measures in Anguilla.	–	13,700	–
Emergency financial support provided to Anguilla to keep essential public services running and respond to the impacts of COVID-19.	–	12,400	–
Additional operating costs as a direct result of COVID-19 such as upgrading technology and vaccinating overseas staff.	–	2,924	–
FCDO Services supplier relief to assist the COVID-19 response.	–	1,327	–
Wilton Park – additional financing to cover income lost as a result of the impact of C-19.	–	3,425	–
<b>Total DEL expenditure</b>	<b>793,000</b>	<b>1,524,876</b>	<b>36,000</b>
<b>AME expenditure</b>			
Gavi COVID-19 Vaccines Advanced Market Commitment (COVAX AMC) to support the provision of vaccines to low and lower-middle income countries. <sup>11</sup>	500,000	–	–
<b>Total AME expenditure</b>	<b>500,000</b>	<b>–</b>	<b>–</b>
<b>Total DEL and AME expenditure</b>	<b>1,293,000</b>	<b>1,524,876</b>	<b>36,000</b>

The main areas of spending related to COVID-19 were:

- ODA programme: COVID-19 is now one of the seven priorities for UK Aid, identified in the FCDO's new Strategic Framework for ODA. The FCDO has committed up to £1.3 billion of UK aid to address the impacts of the COVID-19 pandemic, of these commitments, £664 million was disbursed in 2020-21. The FCDO has adapted existing programming, and created new ones in-country, amounting to more than £750 million ODA in Financial Year 2020-21 to respond to the COVID-19 pandemic. Further details on COVID-19 spending is provided at page 27.
- Consular response: Our consular network focused on supporting British nationals through the COVID-19 pandemic including total spend of £29 million on a global repatriation operation, supporting British nationals overseas to get home to the UK. FCDO has provided more than 3,000 loans to support British nationals who otherwise would not be able to get home, with a total value of over £2 million.

<sup>11</sup> FCDO's commitment to COVAX AMC is through IFFIm bonds so although FCDO have not disbursed any funds, our pledge has already enabled a response. See Section 3, Note 11 to the Departmental Accounts for more information on COVAX AMC.

- **Support for the Overseas Territories:** The FCDO provided £13.7 million to support the Overseas Territories (where the vast majority of citizens are also British citizens) through the Conflict, Stability and Security Fund and International Programme Fund. The funds procured essential medical supplies, staff and logistical support, as well as supporting medical facilities in the Falkland Islands; providing a Security Assistance Team to local authorities in the Cayman Islands and Turks and Caicos; and, supporting border security measures in Anguilla. A further £12.4 million of emergency financial support was provided to Anguilla to keep essential public services running and respond to the impacts of COVID-19.
- **British Council loan funding:** The FCDO provided the British Council with a revolving credit facility of £60 million in June 2020. This was increased to £145 million in February 2021, with a repayment date of 31 December 2021. In 2020-21 the FCDO received a budget of £130 million Capital DEL for the credit facility, of which the British Council drew down £52 million. All loans are being provided on commercial terms. (See Capital DEL section of the Financial Review for more details).
- **FCDO Services –** FCDO provided Supplier Relief to assist the COVID-19 response, which included a contribution of £1.3m to indirect costs which was accounted for as financing in FCDO Services accounts in accordance with the FReM. This ensured FCDO Services forecast cashflows met their working capital requirements in future forecasts.
- **Operational impact:** The FCDO spent around £3 million as a direct result of the pandemic: on vaccinations for staff based in the overseas network and on air travel and accommodation from the drawing down of staff from overseas posts and their return to Post. COVID-19 had a larger indirect financial impact, for example through the disruption to planned travel, projects and other activity.

## **EU Exit**

The FCDO received £45.8 million in Spending Review 2019 and spent £46.3 million to support the continuation of the UK's successful separation from the European Union throughout the Transition Period and beyond. The UK will remain deeply invested in the security and prosperity of Europe. The COVID-19 pandemic has reinforced the need for the UK to have a close relationship with European partners and a strong global presence to reinforce our standing on the global stage.

## **Analysis of departmental group's EU Exit expenditure**

The table below sets out how FCDO's funds were spent on EU Exit. We are unable to comment on how EU Exit has impacted upon centrally agreed Strategic Objectives or Priority Outcomes in 2020-21, as these were not established for the 2020-21 Financial Year.

How funds were spent	Total committed £000	Disbursed in 2020-21 £000	Disbursed in 2019-20 £000
<b>DEL expenditure</b>			
Staff and programme funding to help EU exit preparations.	–	46,300	44,192
Preparations for a possible no-deal EU exit.	–	–	2,843
UK's share of Western European Union pension liabilities.	–	24,010	–
<b>Total DEL expenditure</b>	<b>–</b>	<b>70,310</b>	<b>47,035</b>
<b>AME expenditure</b>			
Provision for UK's share of EUISS (EU-funded security think tank) pension liabilities.	–	3,152	–
<b>Total AME expenditure</b>	<b>–</b>	<b>3,152</b>	<b>–</b>
<b>Total DEL and AME expenditure</b>	<b>–</b>	<b>73,462</b>	<b>47,035</b>

The funding has enabled the FCDO to continue to support over 500 roles, retaining essential expertise and contributing to the following goals:

- Support on-going future relationship negotiations with the EU through lobbying and engagement with Brussels and the EU 27 Member States, including through specialist support
- Deepen our bilateral relationships with our European neighbours, allies and partners and increase our capacity to engage and influence
- Support delivery of key foreign policy issues that we lead on
- Develop and use Europe expertise to focus on more coordinated international engagement
- Successfully transition to a UK sanctions regime, strengthening sanctions as a key tool as a force for good.

In addition to funding the above roles and their associated administration costs, the fund has allowed essential programme work to be carried out throughout the Financial Year.

The UK Nationals Support programme fund has provided assistance and support to at risk UK Nationals applying for EU residency across 13 countries in Europe. Funds were awarded to 8 implementing partners, who have directly assisted UK nationals through advertising campaigns, dedicated helpline support networks and direct outreach, where possible. So far, the Fund has reached nearly 320,000 individuals, with just over 16,000 UK Nationals provided with individual support from a caseworker, to help them secure their residency.

The Europe Future Relations Programme fund has been used to achieve the following key policy objectives:

- Enhance the delivery of our bilateral strategies to preserve and strengthen our relationships in Europe, and work with European governments and institutions on policies that reflect the UK's national interests
- Support the negotiation of the Trade and Cooperation Agreement with the EU
- Promote UK values, influence and soft power to address shared global challenges
- Promote UK prosperity through economic development, clean and sustainable growth, and better business environments in Europe.

## **Official Development Assistance**

During 2020-21 the overall size of the FCDO's ODA budget was primarily determined by forecasts of the extent of funding required to meet the UK's obligation to spend 0.7% of Gross National Income on ODA. In July 2020, so that we could react to the potential shrinkage in the economy and therefore a decrease in the value of the 0.7% commitment, we identified a £2.9 billion package of reductions in the UK Government's planned ODA spend so that we could proceed prudently for the remainder of 2020. This package included

underspends, delaying activity and stopping some spend.

Revised projections in late 2020 showed a smaller drop in GNI than previously forecast, and we were able to mobilise £1.6bn of ODA spending in calendar year 2020. This illustrates the flexibility required to manage the dynamic nature of the department's work, whereby plans can often change and swift action is needed to initiate and progress individual programmes.

The FCDO's provisional statistics on international development confirmed that the UK met the target to spend 0.7% of gross national income on official development assistance in the 2020 calendar year: <https://www.gov.uk/government/statistics/statistics-on-international-development-provisional-uk-aid-spend-2020/>

The Foreign Secretary led a cross-government review of how ODA is allocated for 2021-22 against the Government's priorities after the 2020 spending review. The final allocations were provided in a written ministerial statement on 26 January 2021 (HCWS735).

The FCDO's ODA spend for 2020-21 was £11.2 billion. As in previous years, the majority of this was spent on programme expenditure. Information on 2020-21 outturn and 2021-22 plans is in Annex A and Annex B.

# 1.4

## Sustainability Report

### Section 1: Overall Strategy for Sustainability

The FCDO is committed to sustainable diplomacy and development and has an important role promoting global action on climate change. We aim to lead by example through reducing the environmental impact of our own operations. The FCDO legacy departments had a strong record of improving environmental performance and by coming together, we are unifying sustainability efforts to achieve the ambitious Greening Government Commitment (GGC) targets in the UK and maximise energy efficiency of our global estate to assist with the transition to net zero carbon. In previous years, the FCDO legacy departments had separately reported environmental performance in line with the GGCs. In light of the FCDO merger, we are now reporting as one department and have combined all environmental performance reporting. 2020-21 has seen another year of progress for sustainability in a changing and challenging year. COVID-19 has had a significant impact on our progress towards our GGC targets, with changes in our ways of working and office use resulting in decreased use of facilities. There are lessons we can take from our experience of COVID-19 to embed greener behaviours into our operations, as we build back better.

Our ongoing progress towards our 2020-21 GGC targets has been positive. The engagement with Green Champions and Green Team Networks within the FCDO, and senior endorsement has helped to embed key messages and ensure our staff have access to learn and share best environmental practice. This has helped encourage staff to take individual action and champion sustainability in their day-to-day ways of working, providing us with confidence that with increased staff engagement and action, we can further improve environmental performance in 2021-22 and beyond, setting a positive trajectory for net zero carbon.

Our focus in 2021-22 will be to set more ambitious targets as part of the GGCs to 2025 and particularly improve performance where we have been challenged in the past. Our next GGC targets will re-baseline to provide a more accurate representation of the whole FCDO UK estate and the environment within which the FCDO operates. We are aligning our internal strategies and policies to ensure our progress and ambition reflects the department's desire to be a leader in this area, aligning operations with diplomacy and development work on climate change, in order to contribute to the achievement of the Global Sustainable Development Goals, ensure a green and resilient recovery from COVID-19 and make the FCDO the greenest diplomatic and development service in the world.

## **Environmental Management System**

The FCDO holds an International Organization for Standardization (ISO) 14001 accredited Environmental Management System (EMS), covering The FCDO offices in King Charles Street and Hanslope Park. ISO 14001 certification has been held since 2006 and the EMS was last recertified to ISO 140001 in August 2020. A small number of minor non-conformities were raised during this recertification audit, relating to waste management, wastewater discharge consent monitoring, training, and internal audit completeness. Staff within the FCDO and our facilities management provider are working to implement efficient and long-lasting solutions to these issues to ensure we are able to maintain ISO14001 certification and meet all legal compliance obligations. The FCDO continues to invest in the EMS to drive continuous improvement and ensure the FCDO complies with its legal obligations. The legacy DFID estate (Abercrombie House and 22 Whitehall) is not accredited to ISO 14001. The Sustainable Operations and Programme Board has agreed to explore extending the EMS to include the full FCDO UK estate.

The FCDO undertake a number of internal audits on key areas to ensure compliance, including waste management, emergency preparedness, catering, transport, wood, and metal workshops. We are also working to improve performance of our data centres to ensure they achieve the EU Code of Conduct standards, delivering a 21st century platform for the FCDO, reducing operating costs and improving the environmental efficiency of our estate.

## **Greening Government Commitments**

All UK Government departments have determined GGC targets for their UK operations, setting out the actions departments and their agencies will take to reduce their impacts on the environment. the FCDO's GGC targets cover the FCDO's two joint headquarters – King Charles Street in London and Abercrombie House in East Kilbride, in addition to sites in 22 Whitehall, Lancaster House and Carlton Gardens in London, Hanslope Park in Milton Keynes and Wilton Park in Sussex. Although FCDO Services (split between Hanslope Park and King Charles Street) and Wilton Park are Executive Agencies with their own Annual Reports and Accounts, all of Wilton Park's and most of FCDO Services' sustainability impacts are included in the figures in this report, because they are included in the FCDO's GGC targets. Currently FCDO Services' Wider Market impacts are not included, as the GGC Exemption Panel decided in 2012-13 that they should be exempted from the scope.

As part of the GGCs, we are currently reviewing the reporting scope and targets, as well as re-baselining based on 2017-18 environmental performance. The FCDO's headline performance against the GGC are set out in the table below.

Greening Government Commitment	Progress	2009-10 Combined Baseline <sup>12</sup>	2020-21 Target	2020-21 Performance	Performance
Greenhouse Gases		23,065 tCO <sub>2</sub> e	11,533 tCO <sub>2</sub> e Aiming for 50% reduction	6,111 tCO <sub>2</sub> e	Exceeding 2020-21 Target
Domestic Flights		4,345 flights	3,041 flights Aiming for 30% reduction	347 flights	Exceeding 2020-21 Target
Waste Production		1,533 tonnes of waste	Aiming for continuous reduction	313 tonnes	Exceeding 2020-21 Target
Recycling		58% of waste recycled	Aiming for continuous reduction	55% of waste recycled	Behind 2020-21 Target
Paper Consumption		38,930 reams of A4 equivalent	19,465 reams of A4e Aiming for 50% reduction	1,573 reams of A4e	Exceeding 2020-21 Target
Water		74,825m <sup>3</sup>	Aiming for continuous reduction	33,530 m <sup>3</sup> reduction	Exceeding 2020-21 Target

<sup>12</sup> tCO<sub>2</sub>e stands for tonnes of carbon dioxide equivalent. The GGC's definition for reporting requirements for CO<sub>2</sub>e is: "A universal unit of measurement used to indicate the global warming potential of a greenhouse gas, expressed in terms of global warming potential of one unit of carbon dioxide".

## Section 2: Greenhouse Gas Emissions

Prior to the impacts from COVID-19, **the FCDO achieved the GGC target on greenhouse gas emissions early.** Greenhouse gas emissions in the UK estate fell by a further 32% in 2020-21 – resulting in a 74% total reduction since the baseline

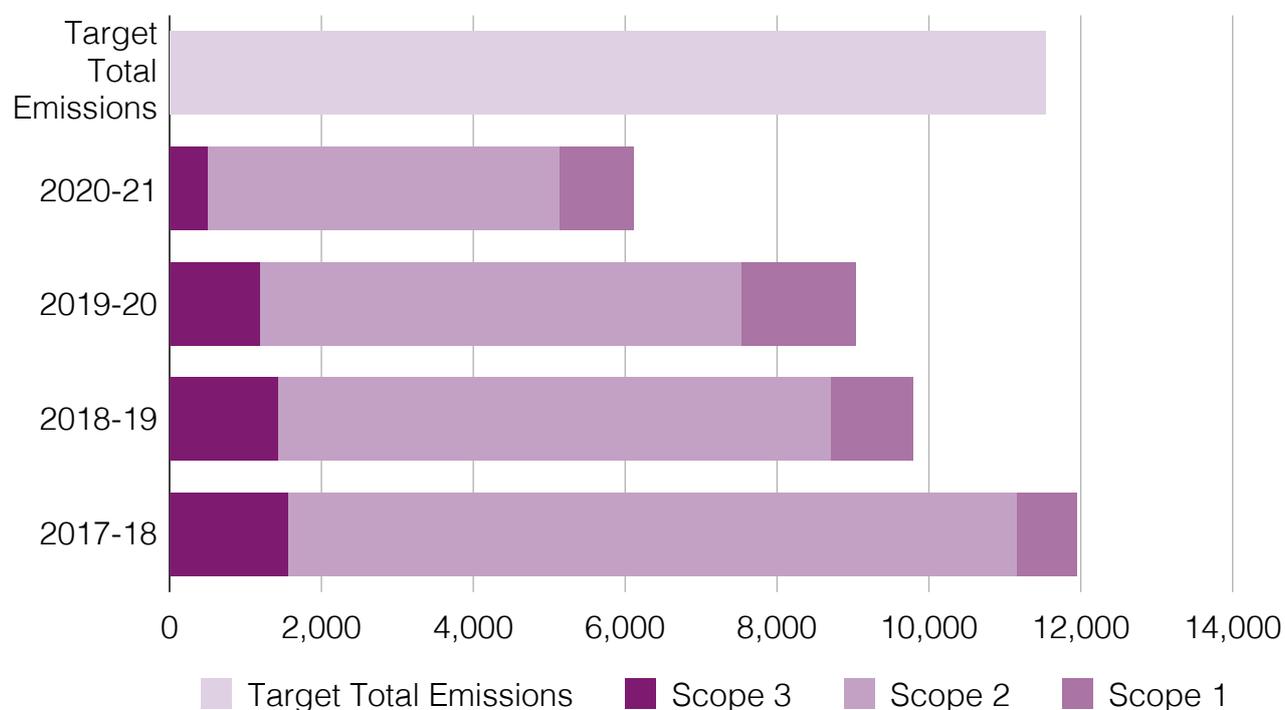
year of 2009-10. The table below provides headline greenhouse gas emission consumption figures and costs associated to the FCDO's UK operations in scope for 2020-21.

Greenhouse Gas Emissions Consumption				
2020-21		kWh-Miles	tCO <sub>2</sub> e <sup>13</sup>	GBP (£)
<b>Greenhouse Gases:</b>	Electricity	17,791,054	4,504	£3,494,389
	Gas	2,015,396	370	£57,912
	Heating Oil	2,116,409	383	£34,911
	Biomass	160,754	2	£2,546
	Biodiesel	805,017	161	£78,614
	Whitehall District Heating Scheme	1,851,944	492	£441,324
	Fugitive	–	39	–
	Domestic flights	77,144	16	£55,190
	Train	50,064	3	£15,621
	Private Mileage	262,982	86	£101,070
	Fleet	418,080	123	–
	Car Services	1,159	0.4	£37,078
	Car Hire	106,305	31	£37,077
	Taxis	27,319	6	£47,243
<b>TOTALS:</b>				
<b>Emissions by scope:</b>	<b>Scope 1 (Energy Direct)</b>	–	978	–
	<b>Scope 2 (Energy Indirect)</b>	–	4,640	–
	<b>Scope 3 (Other Indirect)</b>	–	493	–

<sup>13</sup> tCO<sub>2</sub>e stands for tonnes of carbon dioxide equivalent. The GGC's definition for reporting requirements for CO<sub>2</sub>e is: "A universal unit of measurement used to indicate the global warming potential of a greenhouse gas, expressed in terms of global warming potential of one unit of carbon dioxide".

## Greening Government Commitments: Progress Against Greenhouse Gas Emissions Consumption

### Greenhouse Gas Emissions by scope (tCO<sub>2</sub>e)<sup>14</sup>



### Domestic flights

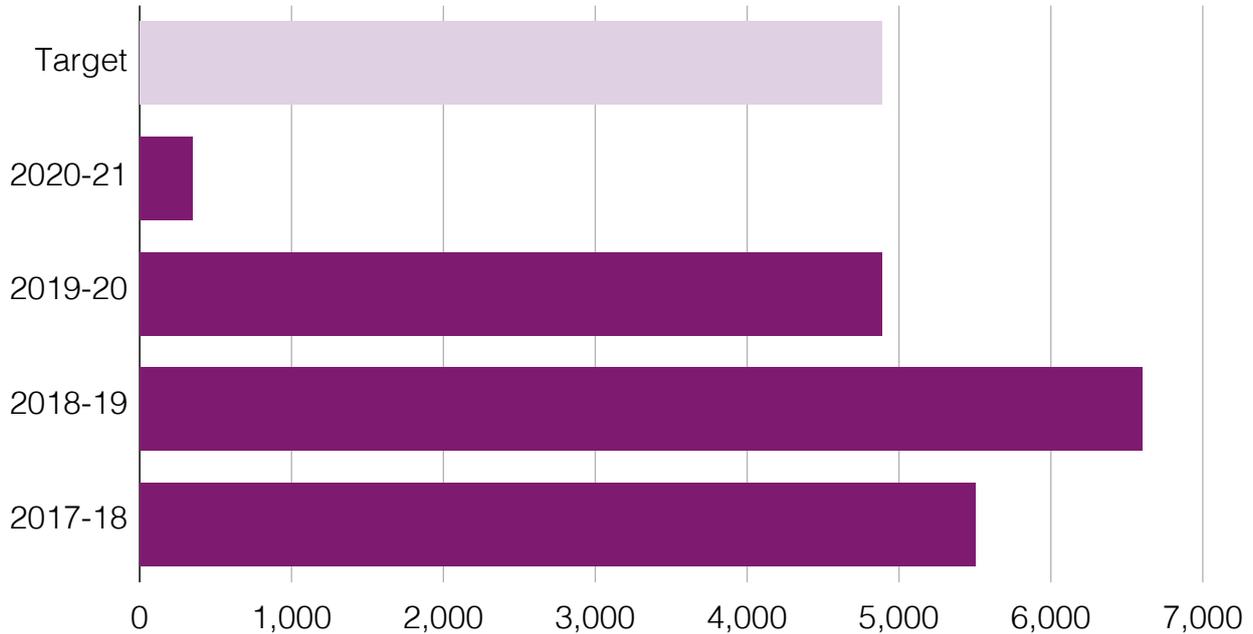
The table below provides headline domestic UK flight data for 2020-21.

Domestic flights		2020-21 Number of flights
<b>Total domestic flights</b>		<b>347</b>
Non-financial indicator	Domestic UK air miles	77,144 miles
	Carbon (tCO <sub>2</sub> e)	16 tonnes CO <sub>2</sub> e

<sup>14</sup> tCO<sub>2</sub>e stands for tonnes of carbon dioxide equivalent. The GGC's definition for reporting requirements for CO<sub>2</sub>e is: "A universal unit of measurement used to indicate the global warming potential of a greenhouse gas, expressed in terms of global warming potential of one unit of carbon dioxide".

## Greening Government Commitments: Progress Against Domestic Flights Target

### Number of UK Domestic Flights



In 2020-21, our number of domestic flights decreased by 93% compared with 2019-20, resulting in a 92% total reduction since the baseline year of 2009-10. This downward trajectory was due to COVID-19 and associated travel restrictions.

The FCDO is committed to reducing the number of UK domestic flights and as operations return to more normal working practices, we aim to increase the availability of information on travel, giving staff the skills and knowledge required to execute behavioural changes. With senior management also promoting a Smarter Working environment, we aim to provide the environmental and social context required to encourage and promote these behaviour changes.

Our new GGCs will set domestic flight mileage reduction targets and we will work with our Green Champions and Green Team networks to raise awareness of individuals' carbon footprint and drive behavioural

changes throughout the organisation. Our current travel policies strongly encourage staff to travel by rail, and the FCDO is aiming to reduce travel emissions further and only take flights by exception for UK domestic journeys. In addition, we are working to further develop our management information to help increase FCDO departments' accountability for how they travel, and further drive the behavioural changes required to continue improving our travel habits. We will use our learning from COVID-19 to continue to increase the use of video conferencing facilities, introduce new technology and ways of working with Office 365 capabilities and promote Smarter Working to encourage collaboration between different locations, without the need for travel.

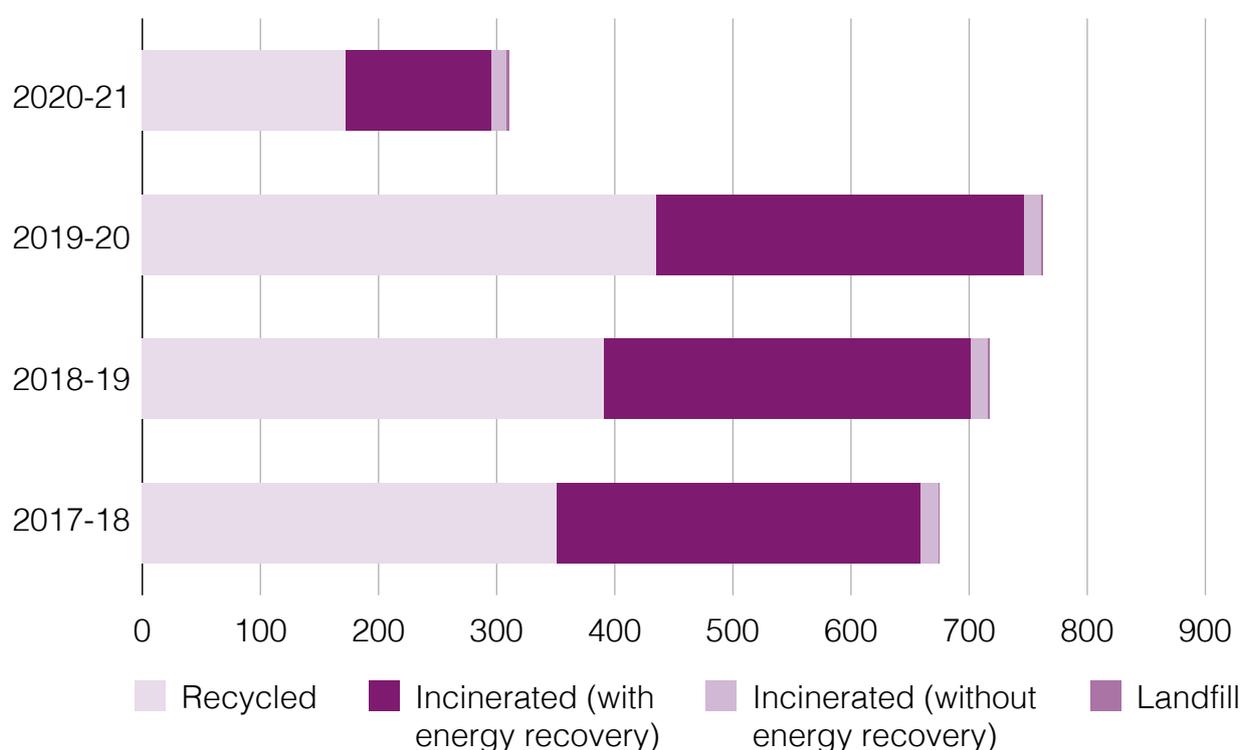
## Section 3: Waste Management and Minimisation

The table below provides headline waste disposal figures and costs across the FCDO's UK operations for 2020-21.

Waste	2020-21 Tonnes	Financial Indicator
<b>Total waste</b>	<b>313</b>	<b>£164,246</b>
Hazardous waste	39	£10,152
Total waste by method of disposal	Recycled – Reused	172
	Landfill	3
	Waste incinerated with energy recovery	123
	Waste incinerated without energy recovery	13

### Greening Government Commitments: Water Reduction Process

#### Waste Disposal (Tonnes)



**The FCDO's overall waste tonnage has decreased by 79% since the 2009-10 baseline, meeting the GGC target to improve our waste management by reducing the overall amount of waste generated.** The FCDO continues to aim for zero waste to landfill, increase recycling rates and reduce the overall waste produced from FCDO operations.

In 2020-21, the FCDO recycled 55% of waste, remaining consistent with waste recycled in 2019-20. Our ambitious target to recycle 75% of overall waste produced, has continued to challenge us. Due to the decrease in overall waste produced, the percentage of recyclable waste has continued to reduce (including paper reduction). Our new GGCs will continue to set ambitious targets to increase the proportion of waste which is recycled. As we return to more normal working practices, we will work to improve the way we stream, segregate and recycle waste and undertake significant communications campaigns to educate and inform staff on the importance of good waste management practices in line with the waste hierarchy.

## **Single-use Plastics – #BeyondPlastic**

December this year saw the closure of our #BeyondPlastic campaign. In 2018 we began working to eliminate Avoidable Single-Use Plastic (ASUP) from the UK estate by the end of 2018, with the ambition to eliminate ASUPs from our overseas estate by the end of 2020. Our initial focus on the UK estate and the way in which it is managed meant that we achieved 90% of our target by the end of 2018, well before the advent of COVID-19. We noted the impacts of COVID-19 on efforts to remove ASUPs overseas, this time last year. Looking back, we were optimistic that we would soon return to something akin to normal working conditions and so continue our efforts to

eliminate ASUPs. However, the continued global threat of COVID-19 over the past twelve months has seen our staff at posts working in very different and innovative ways, often from home. As a result, there are fewer people in our buildings and when they are, Health and Safety concerns are paramount. As in the public realm, this has meant a move away from “reuse-culture” and an increase in plastic disposables, cleaning products and PPE as a necessity. While our progress may have been temporarily impeded, we have achieved a great deal.

In the UK, by working closely with our Facilities Management (FM) supplier we broke new ground; from introducing a ‘latte levy’ (encouraging the use of reusable cups in our catering outlets), to working to remove the obvious single-use plastic such as plastic cups, as well as the more surprising plastic in teabags. Since 2018 we have removed two million items of ASUP annually in the UK. We are very proud that our Sustainability Team were recognised with two industry awards in 2019 for their work on eliminating ASUPs in the UK.

Overseas, we provided a Toolkit to help each mission plan its own approach to eliminating ASUPs taking into account local culture and conditions. We set up our “Kickstarter Fund” which provided small amounts of seed funding and advice to support local initiatives to remove ASUPs. Since 2018, this has led to 1.2 million reported items of ASUP eliminated annually by 95 posts using the Kickstarter Fund, and 68 posts declaring themselves to be ASUP-free.

Taking demonstrable action like the #BeyondPlastic campaign, gives our Embassies and High Commissions a platform to engage with host governments, local authorities and businesses on a range of, in this case, environmental issues – sometimes with unexpected results:



A beach clean by our Embassy in Tunis ultimately led to them brokering an agreement with the Government of Tunisia, ABTA (the Travel Association, formerly known as the Association of British Travel Agents), tour operators (Tui and Thomas Cook) and the local municipality on reducing single use plastics, responsibly disposing of and recycling waste, thereby supporting local economies and the cleanliness of public spaces.



In the Dominican Republic our Embassy, working with a local NGO, was able to share our “how to” Toolkit with 80,000 Small and Medium Enterprises across the country.

Perhaps the greatest success that has come out of the last three years has been the enthusiasm and commitment of colleagues across both legacy FCDO departments in the UK and overseas. That enthusiasm remains high throughout the 300 “Champions” we have around the globe as does their commitment to continue removing ASUPs when and where they can. Pursuing the elimination of ASUPs also provided us with an opportunity to give free reign to our creative side – here are some examples:



There remains work to do, we continue to work on our procurement and supply chains to eliminate ASUPs at source. Many Embassies are still to complete the final stages of their journey to be ASUP-free. And, of course, we remain vigilant for new opportunities to remove ASUPs where it wasn't previously possible.

Although the campaign may have ended, it has achieved its true goal of embedding an awareness of ASUP into daily behaviours. Eliminating ASUPs from our estate will

remain a pillar of the FCDO's global sustainability work in the future. In the UK, the elimination of ASUPs formally becomes part of the Greening Government Commitments from April 2021 and will be reported on annually in future versions of this report.

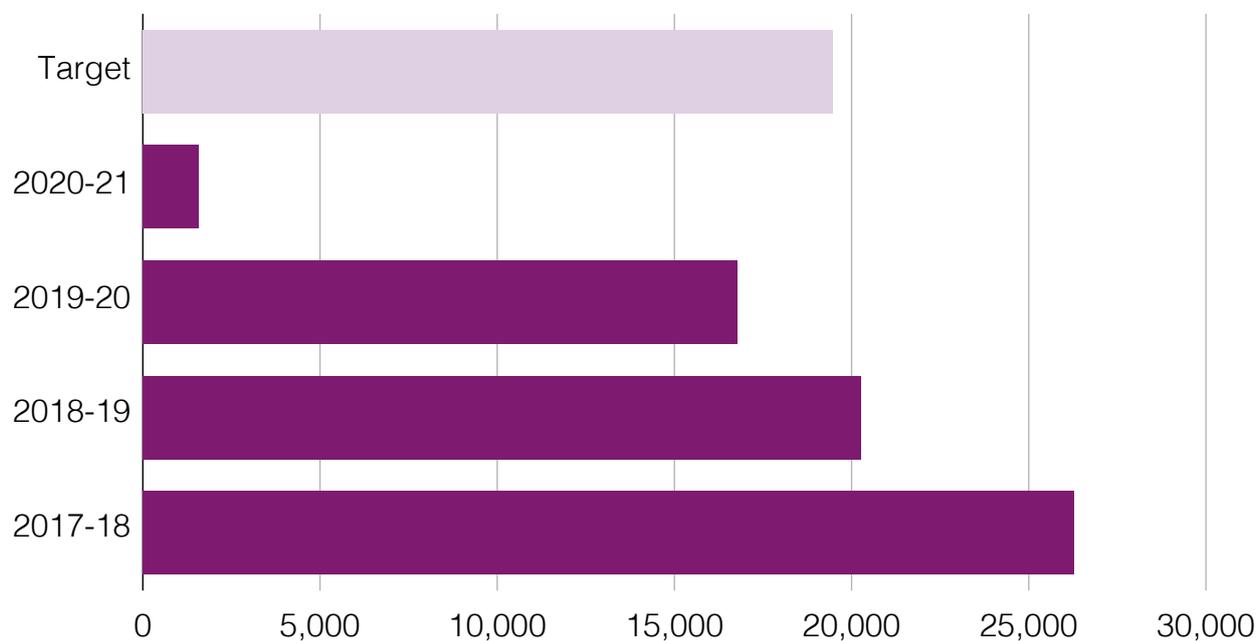
### Paper

The table below provides headline paper consumption figures and costs across the FCDO's operations for 2020-21.

Paper consumption	2020-21 A4 equivalent
Total paper consumption	1,573

## Greening Government Commitments: Progress Against Paper Consumption

### Paper Consumption (Reams of A4 equivalent)



Prior to the impacts from COVID-19, the **FCDO achieved the GGC target on paper reduction early**. The FCDO's overall paper usage has decreased by a further 91% in 2020-21, which makes a 97% total reduction against the 2009-10 baseline.

The reduction in paper usage since 2017-18 has been achieved due to departmental printer rationalisation projects, staff

education and awareness campaigns.

The rollout of new technology, including Office 365 has enabled collaboration online and reduced the need to print. 2020-2021 also saw more people working remotely than ever before, printing FCDO documents at home is not permitted which led to a further decrease in paper consumption in 2020-21.

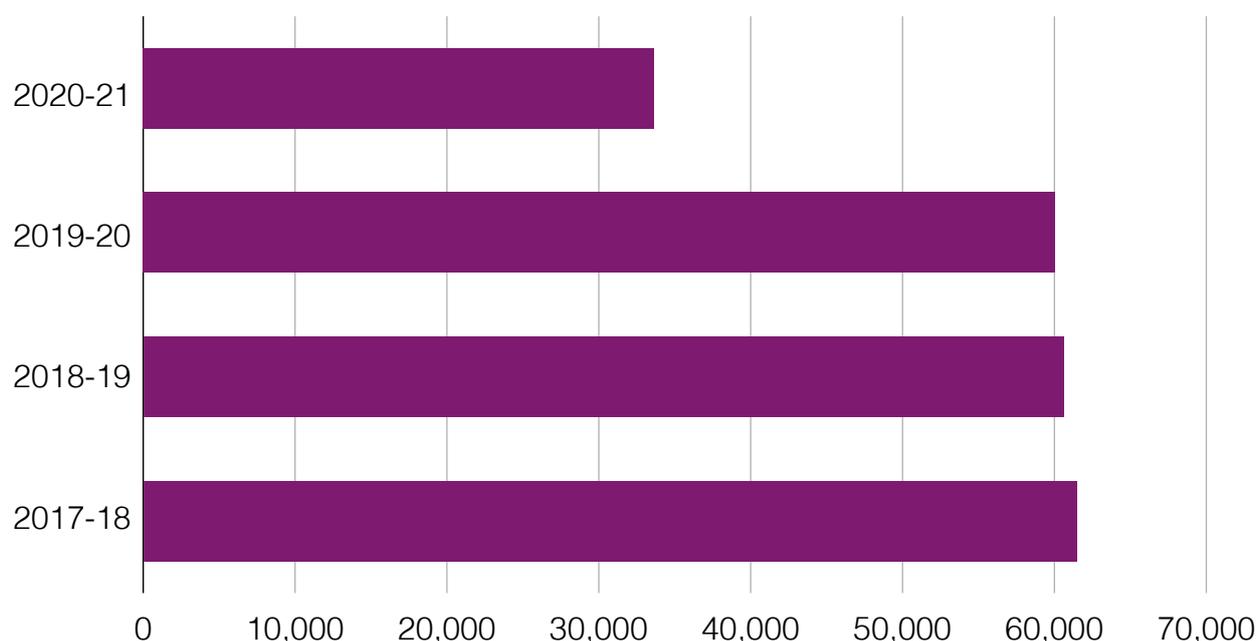
## Section 4: Water Consumption

The table below provides headline water consumption figures and costs across the FCDO's UK operations for 2020-21.

Finite Resource Consumption – Water		2020-21 Cubic Metres	Financial Indicator
<b>Total Consumption</b>	Supplied	<b>33,530</b>	<b>£154,592</b>
<b>Office Water Consumption</b>	Supplied	22,127	£117,581
	Abstracted	0	0
<b>Non-Office Water Consumption</b>	Supplied	11,403	£37,011
	Abstracted	0	0

### Greening Government Commitments: Progress Against Water Target

#### Total Office Water Consumption (m<sup>3</sup>)



**The FCDO's overall water usage decreased by 44% in 2020-21, which makes a total 55% decrease since the 2009-10 baseline.**

Prior to the impacts from COVID-19, the FCDO's offices in King Charles Street, Hanslope Park and Abercrombie House were on target to meet the GGC reduction target. However, since 2016-17 water usage in 22 Whitehall has continued to rise due to exceptional weather during recent summers

and as a result, we were required to have 24-hour usage of water to enable the cool condenser units in the patch rooms to function. Due to the limited office use in 2020-21, 22 Whitehall water consumption reduced by 77% compared to 2019-20. The replacement heating and cooling system in 22 Whitehall, should result in lower carbon consumption and less water use, as operations return to normal working practices.

## Section 5: Normalised Performance

### Overview

To allow comparison between years and organisations, the following table normalises sustainability impacts by staff numbers. Due to the impacts COVID-19 had on changes to our ways of working and office use, the FCDO has carried forward 2019-20's combined UK estate occupancy Full Time

Equivalent (FTE) staff number. As we re-baseline and develop new ways of working, we will work with cross-government departments to develop an accurate occupancy FTE. For the purposes of GGC reporting, the UK estate occupancy FTE is 8,424 and the Office FTE for the reduced scope consumption targets is 8,173.

Impact per full time equivalent (FTE)	2020-21	2019-20	2018-19	2017-18
<b>Greenhouse gas emissions</b>	0.72 tonnes of CO <sub>2</sub> e per FTE	1.07 tonnes of CO <sub>2</sub> e per FTE	1.24 tonnes of CO <sub>2</sub> e per FTE	1.61 tonnes of CO <sub>2</sub> e per FTE
<b>Waste arising</b>	37kg per FTE	94kg per FTE	92kg per FTE	91kg per FTE
<b>Paper consumption</b>	0.19 reams of A4e per FTE	2.05 reams of A4e per FTE	2.67 reams of A4e per FTE	3.7 reams of A4e per FTE
<b>Office water consumption</b>	4.10 cubic meters per FTE	7.34 cubic meters per FTE	7.99 cubic meters per FTE	8.66 cubic meters per FTE

## Section 6: The Global Picture

### Overview

The FCDO global estate and footprint plays a significant role in our global fight against climate change. We are committed to leading by example and reducing the environmental impact of our own operations and to minimise our contribution to climate change. At present, there is a lack of sufficiently granular data to be able to report fully on our global impacts. As part of our endeavours to ensure our global operations are managed towards becoming net zero by 2050 or earlier, we are aiming to reduce worldwide energy use by at least 20% from a 2019-20 baseline, by March 2025.

Significant modernisation of our overseas estate will help reduce carbon emissions through replacing end of life infrastructure, moving to modern offices and investing in cleaner energy that will also drive down costs.

### Fleet

The FCDO is committed to the Department for Transport's Government Fleet Commitment (GFC) as set out in its Road to Zero strategy. This requires 25% of all qualifying vehicles comprising Government fleets in the UK to be Ultra Low Emission Vehicles by 2022 and for that figure to be 100% by 2030. Our UK fleet is supplied and managed by FCDO Services and we are working closely with them to develop a strategy to meet the GFC. Progress will be reported in future iterations of the Greening Government Commitments.

Applying similar principles to our overseas fleet is an important component of the FCDO's Net Zero strategy. Accordingly, the FCDO has adopted a policy mandating Low

Emission Vehicles (LEV) as the default option when replacing any of its overseas non-armoured fleet vehicles. In future, any non-armoured vehicle considered for purchase must not produce emissions exceeding 75g CO<sub>2</sub>/km and be capable of travelling 16km with zero emissions as a minimum. Best practice is for vehicles to meet the Office for Low Emission Vehicles standard for Ultra Low Emissions of no more than 50g CO<sub>2</sub>/km. The only exceptions are strictly where local conditions, or the intended use of the vehicle, make an electric or hybrid vehicle impractical. Given the wide variation of markets and infrastructure around the world, we have committed to transitioning as much of our non-armoured overseas fleet as possible to fully electric vehicles by 2030. Our interim goal is for 25% of flag and 50% of non-flag fleet vehicles to be LEVs by 2025.

To date, the FCDO has 62 LEV vehicles across its overseas fleet. In 2019-20, 30 flag cars had been replaced with LEVs. We now have 40 LEV flag cars, which represents 28% of all flag vehicles. The remainder of the fleet contains 22 LEVs accounting for 2% of vehicles – we expect to double this in the next 12 months.<sup>15</sup>

### Global Travel

The FCDO is mindful that global business travel is a significant part of our environmental impacts. Data from our official UK travel providers shows the domestic flights reported through Greening Government Commitments accounted for just 1.88% of total flights booked through our UK official travel providers. In line with the new GGCs, the FCDO is committed to reporting distance travelled via all business

<sup>15</sup> Flag cars are vehicles used by Heads of Mission for official and representational purposes.

flights for staff in the UK, with an aim to reduce emissions and increase staff engagement.

The introduction of a global travel supplier, which will start rolling out in the next Financial Year, will begin to provide us with

granular data on our flight spend and emissions for staff based overseas. This will allow for more detailed analysis to inform internal discussions on how to reduce travel emissions and raise awareness of individuals' carbon footprint.

---

## **Section 7: Sustainable Procurement**

Post-merger, FCDO Commercial has been aligning processes and procedures whilst continuing to develop and embed Category Management, Contract Management, and relevant policy delivery in Commercial activity.

After participating in the development of Social Value Procurement Policy, FCDO Commercial is now implementing social value in all its over threshold programme and corporate contracts, regardless of location and capturing lessons learned in our Category Management programme to ensure future procurements address environmental considerations, amongst other Social Value themes. We have begun to mobilise in readiness for the instruction from Cabinet Office to leverage our Procurement to implement a Carbon Net Zero Policy across our Supply Chains.

The FCDO Supply Partner Code of Conduct (the code) for all development programmes is an integral and binding part of standard contract terms and conditions. These conditions set high but realistic standards for ethical and safeguarding behaviour, social responsibility, and value for money from the supply partners who deliver FCDO funded contracts. Since September 2017, the code has been integral to legacy DFID contracts and is now incorporated in all new FCDO contracts.

Compliance with the code within the FCDO is monitored by a specialist commercial team. Full compliance and annual verification are mandatory for supply partners and commits them to key performance indicators in 6 priority areas, including:

- Value for money and governance
- Ethical behaviour
- Transparency and delivery chain management
- Environmental issues
- Terrorism and security
- Safeguarding, social responsibility and human rights, including safeguarding against sexual exploitation, abuse and harassment.

Supply partners and their delivery chains act on behalf of the UK Government and interact globally with country governments, other aid donors and their delivery partners, many stakeholders, including citizens, and directly and indirectly with aid beneficiaries. These interactions must therefore, meet the highest standards of ethical and professional behaviour in order to uphold the reputation of the UK Government.

Supply partners must demonstrate that they are pursuing continuous improvement and applying stringent financial management and governance to reduce waste and improve efficiency in their internal operations and within the delivery chain.

Supply partners must be committed to high environmental standards, recognising that FCDO activities may change the way people use and rely on the environment, or may affect or be affected by environmental conditions. They must demonstrate they have taken sufficient steps to protect the local environment and community they work in, and to identify environmental risks that are imminent, significant or could cause harm or reputational damage to the FCDO, or the communities we work in.

Commitment to environmental sustainability is not limited to, but may be demonstrated by:

- Formal environmental safeguard policies
- Publication of environmental performance reports
- Signatory level membership of the UN Global Compact and further relevant codes, both directly and within the supply chain such as conventions, standards or certification bodies
- Carbon Reduction Plans develop for all projects over £5 million.

Across its locations in the UK and its 300 plus overseas offices the FCDO buys a wide range of goods, services and works. Including servicing the overseas 'platform' for several other Government Departments and this includes procuring goods, services and works to support their activities overseas.

- The Commercial department works closely with the FCDO Sustainability Operations Team to support their Environmental Management System and ensure associated accreditation to ISO

14001 is continued, and the Greening Government Commitments are addressed. The latter manifested in collaborating to reduce FCDO greenhouse gas emissions from Estate, Travel and the vehicle fleet.

- In collaboration with Arup Consulting, the FCDO Corporate Commercial Team are awarding a range of contracts to support the UN Climate Change Conference UK 2021. The event has a high level of Sustainability ambition, including achieving ISO 20121 and being carbon neutral. The COP26 Sustainable Procurement Policy has been developed to support compliance with these aspirations and to provide a Framework to support supply chain compliance for venues, event production, accommodation, transport, security and ICT. The Team are also ensuring that Event Suppliers maintain the focus on Sustainability in their subsequent contracts and the Event sets the benchmark for sustainability on all future UK Government events. Locally, lessons learned will also be accommodated in FCDO Procurement practice.
- FCDO Commercial Regional Procurement Hubs are leveraging overseas contracts to deliver policy. Evaluation criteria used for the procurement of Cleaning Services gives Suppliers the opportunity to propose environmentally friendly practices and products. Where market conditions allow, the European Hub is implementing a Green Energy Policy to transition the British Embassies they service to use at least 50% energy sourced from green energy sources.

## **Section 8: Broader Impacts**

### **Climate change adaptation**

The FCDO is mindful of the risks posed by climate change and has robust plans in place to manage occurrences of extreme weather events. In addition to operational considerations, FCDO policy and programming is aiming to align resources to the Government's international priorities including climate and biodiversity. The FCDO is clear about the need to consider sustainability and resilience in our programming on possible future shocks, including political, economic, security, environmental, social and climatic.

### **Biodiversity and natural environment**

Our offices in Abercrombie House and Hanslope Park, offer the opportunity for the FCDO to maintain biodiversity and encourage habitats and local plant species in contrast to our offices in King Charles Street and 22 Whitehall in central London. Hanslope Park is a 44-acre site and although not specifically located in a protection area, there is inherent natural capital supporting a breadth and depth of flora and fauna. Continuous management is undertaken in Hanslope Park to plant trees and maintain the pond and wildflower meadow. The introduction of the Abercrombie House Gardening Group has inspired staff engagement in the natural environment and encouraged more insects, wildlife, and birdlife around Abercrombie House. In line with the new GGCs, the FCDO is committed to setting targets for the UK estate to improve nature through developing and delivering Nature Recovery Plans.

### **Procurement of food and catering services**

The FCDO's in-house catering provisions, through the cross-government cluster contract arrangement, strive to meet and embed the Government Buying Standards (GBS) for food and catering services. We continue to work closely with the FCDO's facilities management contractors to enhance the sustainability of our operations and manage these to Net Zero.

### **Sustainable construction**

The FCDO adheres to sustainable construction standards with all construction following the Government Buying Standards (GBS), ensuring environmental sustainability is considered. The FCDO continues to support the UK Government's Timber Procurement Policy, procuring through supply chains that are committed to sourcing timber responsibly. Construction waste has decreased significantly in the last year, due to COVID-19.

### **Additional sustainability initiatives**

In addition to improving our operational activity, the FCDO is taking further steps to engage staff in various initiatives to improve the impact of our activities, see examples of these below:

#### **Smarter working**

The FCDO remains a strong advocate for Smarter Working, in line with the cross-government programme. The changes to the physical workspace within headquarter offices has maximised available space and provided a range of different work zones to suit different ways of working and activities. This is supported by improved technology and culture change, to support flexible and collaborative working.

The rollout of Office 365 has enabled collaborative working between different locations, without the need for travel, which is helping reduce individuals' carbon footprint. It is also reducing the need to print and or use, paper. The impacts of COVID-19 has resulted in increased use of technology and there are lessons we can take from our experience of COVID-19 and our ways of working, to embed greener behaviours as we build back better.

## **Green Teams**

The FCDO has a network of enthusiastic, change seeking Green Teams who globally champion environmental sustainability and encourage innovative ideas and try new tools and ideas to help improve our environmental performance. The work of our Green Teams has helped ensure everyone has access to learn and share best environmental practice and helped create a shift in behavioural changes to champion sustainability in day-to-day ways of working. Our focus for 2021-22 will be to work further with our Green Teams to raise awareness and embed the new Greening Government Commitments and global targets.

## **Liftshare**

In October 2018, the introduction of 'Liftshare' in Abercrombie House enabled an online car sharing platform designed to make car sharing arrangements easier. The introduction of Liftshare has reduced the number of cars travelling to and from our estate and has helped cut congestion and reduced pollution. Since 2018, an estimated 2,933,965 miles, and 646 tonnes of CO<sub>2</sub> have been saved. In 2020-21, COVID-19 restrictions and changes in our office use resulted in a decreased use of Liftshare. Our staff engagement campaign will help staff understand the impact of their choices and encourage and promote sustainable commuting choices, as operations return to normal working practice.

## **Sir Philip Barton KCMG OBE**

Accounting Officer for the Foreign,  
Commonwealth and Development Office

17 September 2021

# Section 2: Accountability Report

A photograph of a building facade, likely the Foreign, Commonwealth & Development Office. The image is partially obscured by a red diagonal overlay in the top-left corner. The text 'Foreign, Commonwealth & Development Office' is visible on the building's facade, written in a bold, black, sans-serif font. The building appears to be made of light-colored stone or concrete.

**Foreign, Commonwealth  
& Development Office**

# 2.1

## Corporate Governance Report

**This section of the Annual Report and Accounts sets out the FCDO's corporate governance structures in 2020-21, including membership of, and attendance at, the top-level Boards and Committees across the Financial Year. Detail on the roles and responsibilities of each Board and Committee is also provided, as well as how risk is managed through these structures. The section concludes with an outline of the FCDO's internal control and assurance process, how we manage interests and business appointments and a summary of our Arm's Length Bodies (ALBs).**

A new governance structure was established in 2020-21, following the creation of the FCDO in September 2020. This governance structure is fundamental to the smooth running of the department, as it provides a platform for effective and objective challenge to be aired across different levels.

### **FCDO Senior Management: FCDO Ministers in 2020-21<sup>16</sup>**

#### **Secretary of State for Foreign, Commonwealth and Development Affairs and First Secretary of State: The Rt Hon Dominic Raab MP**

The Foreign Secretary has overall responsibility for the work of the Foreign, Commonwealth and Development Office.

#### **Minister of State (Minister for Asia): Nigel Adams MP**

Responsibilities include: East Asia and South East Asia, economic diplomacy, trade, Economics Unit, Prosperity Fund, soft power (including British Council, BBC World Service and Scholarships), Third Country agreements and consular.

#### **Minister of State (Minister for South Asia and the Commonwealth): Lord Ahmad of Wimbledon**

Responsibilities include: South Asia, Caribbean, Overseas Territories and Polar regions, the Commonwealth, the United Nations and international bodies (including the International Criminal Court (ICC)), governance, democracy, open societies and anti-corruption, human rights (including as the Prime Minister's Special Representative on Preventing Sexual Violence in Conflict), modern slavery, treaty policy and practice, sanctions, protocol, FCDO Services and departmental operations (including human resources, finance and commercial, estates, security and knowledge and technology).

<sup>16</sup> A full list of Ministers that served in DFID, FCO and the FCDO during 2020-21 can be found in the Remuneration Report. The UK Parliament website holds the Register of Members' Financial Interests.

### **Minister of State (Minister for Middle East and North Africa): The Rt Hon James Cleverly MP**

Responsibilities include: Conflict, humanitarian issues, human security, the Conflict, Stability and Security Fund (CSSF), counter terrorism, defence and international security, Middle East and North Africa, migration, Organisation for Security and Cooperation in Europe and Council of Europe, safeguarding, Stabilisation Unit, Women, Peace and Security.

### **Minister of State (Minister for Pacific and Environment): The Rt Hon Lord Goldsmith**

Responsibilities include: Climate change, environment and conservation, biodiversity, oceans, Oceania and Blue Belt.

### **Parliamentary Under Secretary of State (Minister for European Neighbourhood and the Americas): Wendy Morton MP**

Responsibilities include: East and South-East Europe, Central Asia, Americas, health, global health security, neglected tropical diseases, water and sanitation, nutrition, Global Fund, Gavi (the Vaccine Alliance), gender equality, sexual and reproductive health and rights, children, youth and education and inclusive societies.

### **Parliamentary Under Secretary of State (Minister for Africa): James Duddridge MP**

Responsibilities include: Sub-Saharan Africa, economic development, International Financial Institutions, the CDC Group, research and evidence.

### **Legacy DFID, Legacy FCO and FCDO Special Advisers**

FCDO Special Advisers – Beth Armstrong, Simon Finkelstein, Robert Oxley, William Sweet, Sally Rushton

FCO Special Advisers – Beth Armstrong, Simon Finkelstein, Robert Oxley

DFID Special Advisers – Will Holloway, William Sweet

### **Directors' Report**

Elements of the statutory requirements of the Directors' Report are detailed in the Governance Statement from page 79. These include:

- Details of the senior management team
- Name of the permanent head and Accounting Officer
- Names of the Non-Executive Directors
- Composition of the Management Board
- Details of company directorships and other significant interests held by senior management
- Information on personal data related incidents where these have been formally reported to the Information Commissioner's Office (ICO).

## Statement of Accounting Officer's Responsibilities

Under the Government Resources and Accounts Act 2000 ('GRAA'), HM Treasury has directed the FCDO to prepare consolidated resource accounts, for each Financial Year, detailing the resources acquired, held or disposed of, and the use of resources, during the year by the department (inclusive of its executive agencies) and its sponsored non-departmental public bodies designated by order, made under the GRAA by Statutory Instrument 2021 No. 265 (together known as the 'departmental group', consisting of the department and sponsored bodies listed at note 17 to the accounts). The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the department and the departmental group and of the income and expenditure, Statement of Financial Position, and cash flows of the departmental group for the Financial Year.

In preparing the accounts, the Accounting Officer of the department is required to comply with the requirements of the Government Financial Reporting Manual and in particular to:

- Observe the Accounts Direction issued by the Treasury, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- Ensure the department has in place appropriate and reliable systems and procedures to carry out the consolidation process
- Make judgements and estimates on a reasonable basis, including those judgements involved in consolidating the

accounting information provided by non-departmental public bodies

- State whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the accounts
- Prepare the accounts on a going concern basis
- Confirm that the Annual Report and Accounts as a whole is fair, balanced, and understandable and take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced, and understandable.

HM Treasury has appointed the Permanent Under-Secretary as Accounting Officer of the Foreign, Commonwealth and Development Office. The Accounting Officer of the department has also appointed the Chief Executives or equivalents of its sponsored non-departmental public bodies as Accounting Officers of those bodies. The Accounting Officer of the department is responsible for ensuring that appropriate systems and controls are in place to ensure that any grants that the department makes to its sponsored bodies, are applied for the purposes intended and that such expenditure and the other income and expenditure of the sponsored bodies are properly accounted for, for the purposes of consolidation within the resource accounts. Under their terms of appointment, the Accounting Officers of the sponsored bodies are accountable for the use, including the regularity and propriety, of the grants received and the other income and expenditure of the sponsored bodies. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for

keeping proper records and for safeguarding the assets of the department or non-departmental public body for which the Accounting Officer is responsible, are set out in 'Managing Public Money' published by HM Treasury.

The FCDO was created administratively around the new Secretary of State for Foreign, Commonwealth and Development Affairs (SoSFCDA), upon his appointment on 2 September 2020, and the functions of the former Secretaries of State for the FCO and DFID entrusted to the new Secretary of State. The Transfer of Functions (Secretary of State for Foreign, Commonwealth and Development Affairs) Order 2020 No. 942 was made during the Privy Council meeting on 2 September 2020 and came into force on 30 September 2020. The Order gives legal personality to the Secretary of State for Foreign, Commonwealth and Development Affairs, enabling him to enter into contracts and hold property in the name of SoSFCDA, and gives legal effect to the transfer of the functions, and the rights and liabilities of the former Secretaries of State to the new Secretary of State.

## **Statement on the disclosure of relevant audit information**

As the FCDO Accounting Officer, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the FCDO's auditors are aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware. I also confirm that this Annual Report and Accounts as a whole is fair, balanced, and understandable and that I take personal responsibility for the Annual Report and Accounts and the judgments required for determining that it is fair, balanced, and understandable.

Some of this Governance Statement relates to a period when I was not the Accounting Officer. My predecessors, Lord (Simon) McDonald's and Mr Nick Dyer's tenure as Permanent Under-Secretary of the former FCO and Acting Permanent Secretary of the former DFID ended on 1 September 2020.

In the period between my appointment and Lord (Simon) McDonald and Mr Nick Dyer stepping down, I received appropriate assurances that the systems of internal control were sound and effective prior to my appointment as Accounting Officer. Therefore, I consider that I have sufficient knowledge and have had sufficient involvement to take responsibility for this statement.

# Governance Statement



## Accounting Officer's Foreword Sir Philip Robert Barton, KCMG OBE

Through an extraordinary and difficult year, the work of the Foreign, Commonwealth and Development Office has continued unabated. In many cases working remotely from kitchen tables and spare bedrooms around the world, we have led Her Majesty's Government's international work to promote the UK, protect our security and build a fairer, more sustainable and more prosperous future for all. COVID-19 has affected all aspects of life in the UK and around the world. I am proud of what we have achieved: the UK has been at the forefront of the global response.

As this report highlights, the FCDO has undertaken an ambitious transformation programme to deliver the benefits of an integrated international department, as quickly as possible. The new structure of the department has been determined, new directors are in place and all deputy directors in the UK are leading integrated teams. Overseas, Heads of Mission have been empowered and country priorities have been set out in cross-Government country plans.

We have put inclusion and diversity at the heart of the new department, with Board Level Sponsors identified for key themes and a detailed consultation on a new Inclusion Framework. I am delighted that we now have female ambassadors in all G7, P5 and Five Eyes countries, as well as NATO and the United Nations.

The two departments were already working closely together on a number of issues when the formation of the FCDO was announced in June 2020. The new, combined department unites our development and diplomatic priorities, to achieve greater impact.

The establishment of joint governance through a Joint Executive Committee and a Joint Transformation Board in June 2020 provided the outgoing Accounting Officers with an effective governance structure to ensure a smooth transition. From my appointment in early August 2020 until I started as Accounting Officer, I was in regular contact with the outgoing DFID and FCO Accounting Officers and instrumental in making key design choices as the structures for the new department and its governance were developed.

The FCDO's first six months saw some significant achievements:

- Using the UK's presidency of the UN Security Council to drive progress on global access to vaccines and to call for local ceasefires across the globe, to allow the delivery of vaccines to some of the world's most vulnerable people
- Committing £1.65 billion over the next five years to support Gavi to immunise 300 million children and save up to 8 million lives

- Providing catch-up programmes for 300,000 girls in low-income countries, following COVID-19 school closures
- The Foreign Secretary launched a Famine Prevention Call to Action in September 2020 combining the best of FCDO's aid expertise and humanitarian diplomacy to address the rising risk of famine across the world. Sustained UK efforts have helped to mobilise additional funding to support the world's most vulnerable countries, including the doubling of World Bank Early Response Financing from US\$500 million to US\$1 billion to support countries facing increased food security risks in taking early action
- Strengthening our ties with key partners on defence, security, trade and investment including in the Indo-Pacific region and the Biden Administration
- Uniting the UN Security Council to make clear that Aung San Suu Kyi must be released, and democratic institutions restored in Myanmar
- Unveiling a new Anti-Corruption sanctions regime which enables the UK to stop corrupt actors profiting from the UK economy and exploiting our citizens
- 2020 saw considerable progress on climate, culminating in 75 leaders making ambitious commitments at the Climate Ambition Summit on 12 December. The summit was co-convened by the United Nations, the United Kingdom and France in partnership with Chile and Italy
- Leading preparations for a vibrant return to multilateral diplomacy and a co-ordinated response to some of the most pressing issues, as the UK took over the Presidency of the G7 at the start of 2021

In the last five months of the Department for International Development, a substantial amount of Official Development Assistance was redirected towards the effort to tackle COVID-19, including £250 million to the Coalition for Epidemic Preparedness Innovations (CEPI) to develop a COVID-19 vaccine. The UK committed up to £829 million for the research, development and distribution of vaccines, treatments and tests, including a £500 million commitment to COVAX in support of the provision of vaccines to low and lower-middle income countries. We also hosted – virtually – a Global Vaccine Summit to shore up sustained support for Gavi – the Vaccine Alliance. During this time, representatives from 52 countries pledged US\$8.8 billion to help Gavi continue the fight against infectious diseases globally, including COVID-19 with the UK leading the way.

Over the same period, the Foreign and Commonwealth Office responded to the pandemic by successfully delivering a global repatriation charter operation bringing back over 38,000 people to the UK from 57 different countries and territories. Staff worked around the clock to keep hubs and transit routes open and to provide consular assistance to those most in need, enabling 1.3 million British nationals to return via commercial routes, of whom we estimate 132,000 were on flights directly assisted by the UK Government. Extensive effort also went into ensuring that travel advice was as up to date as possible, in the rapidly evolving pandemic.

The department delivered a significant component of EU Exit work during the transition period: leading three of the six Specialised Committees established by the Withdrawal Agreement and forming part of the negotiations on the Trade and

Cooperation Agreement. A £4 million support fund to assist British nationals living in the EU was established alongside a public information campaign to raise UK nationals' awareness of how to secure their rights under the Withdrawal Agreement. This work continued after the creation of the FCDO, with the new department playing a key role in the cross-Government operation, to anticipate and respond to disruption for British citizens and businesses at the end of the transition period.

As Accounting Officer, I am responsible for ensuring that the department has an effective governance framework that provides strategic direction and management of the organisation.

In particular, I am responsible for overseeing delivery of ministerial strategic and policy priorities; ensuring accountability and delivery of efficient and effective organisational performance; and ensuring that the supporting governance systems function as they are designed to – securing value for money and managing risk.

These responsibilities support delivery of the FCDO's Priority Outcomes and are in accordance with relevant legislation and HM Treasury's 'Managing Public Money' guidance. This Governance Statement represents my assurance to Parliament that, as Accounting Officer, I am satisfied that the department's finances are adequately controlled.

## The FCDO's Corporate Governance Structure



## **FCDO Non-Executive Directors**

New FCDO Non-Executive Directors were appointed for a term of three years, bringing in external expertise and challenge.

### **Baroness Helena Morrissey – Lead Non-Executive Director**

Appointed as Lead Non-Executive Director at the FCO on 27 July 2020. Helena transferred to Lead Non-Executive Director at the FCDO in September 2020. Helena sits on the Supervisory Board. She is Chair of the Staff Advisory Board and attends the Management Board and Strategy Committee. She has over three decades' experience in the financial services sector and is well-known for her work on inclusion and diversity. In 2010, she founded the 30% Club, a business-led campaign for better gender-balanced boards. There are now eighteen 30% Clubs throughout the world. Helena's current roles include Non-Executive Director and Chair-Designate at AJ Bell, Chair of The Diversity Project, Advisory Board member at Edelman and Fellow (Governor) at Eton College. Helena was previously Chief Executive Officer (CEO) of Newton Investment Management and Chair of the Investment Association, the UK investment industry's trade body.

### **John Coffey – Non-Executive Director**

Appointed as Non-Executive Director on 21 September 2020. John sits on the Supervisory Board. He is Chair of the FCDO Audit and Risk Assurance Committee and attends the Management Board and Investment Committee. John has four decades' experience in the financial services sector and is a member of the Institute of Directors and Treasurer at Burnham-On-Crouch Royal National Lifeboat Institution. John's previous roles include Executive Director Chief Risk Officer and Executive Director Technology and Operations of FCE Bank plc and Managing Director of Ford

Credit Britain. John has held other Board roles within the Ford Group as well as Forso Nordic AB in Scandinavia.

### **Beverley Tew – Non-Executive Director**

Appointed as Non-Executive Director on 1 October 2020, Beverley sits on the Supervisory Board. She attends the Management Board, Delivery Committee and the Audit and Risk Assurance Committee. Beverley has over three decades' experience as a chief financial officer and commercial leader in the public and private sectors. Beverley's current roles include Trustee and member of the Audit Committee of Plan International (UK), Crown Representative at the Crown Commercial Service (Cabinet Office), Trustee and Audit Committee Chair of the Chartered Institute of Procurement and Supply, Trustee at Teentech and Audit Committee member at the British Academy of Film and Television Arts (BAFTA). Beverley was Finance Vice President at Burberry until 31 March 2021 and prior to that Group Chief Financial Officer (CFO) at the BBC. She qualified as a Chartered Accountant (Institute of Chartered Accountants in England and Wales) with EY. She has also worked in the children's charity sector for over 15 years.

### **Ann Cormack – Non-Executive Director**

Appointed on 2 October 2020, Ann sits on the Supervisory Board and attends the Transformation Board, Management Board, Senior Leadership Board and People Committee. Ann spent the first twenty years of her career in front-line business executive roles at Shell International, latterly running Shell's global internal consultancy B2B team and the European Fleet Fuel Cards business. Ann's current roles include Council Member and Trustee of Chatham House, the Royal Institute for International Affairs. Ann's previous roles include Executive Head of Human Resources at De Beers, Director International at Rolls-Royce plc, CEO D1-BP

Fuel Crops Ltd and Managing Director of the Small Business Service (UK Department of Trade and Industry).

### **DFID Non-Executive Directors**

Marc Bolland, Lead Non-Executive Director:  
July 2018 – 31 August 2020

Alan Johnson, Non-Executive Director:  
July 2018 – 1 September 2020

Sally Jones-Evans, Non-Executive Director:  
September 2016 – 1 September 2020

### **FCO Non-Executive Directors**

Miranda Curtis, Lead Non-Executive Director:  
April 2017 – 30 June 2020

Gaenor Bagley, Non-Executive Director:  
May 2018 – 1 September 2020

Warren Tucker, Non-Executive Director:  
November 2015 – 1 September 2020

### **FCDO Non-Executive Members**

The FCDO committees and sub-committees have their own Non-Executive Members as appropriate. The Non-Executive Members' role is to support committees/sub-committees in their work and provide a degree of external challenge and specific expertise, in the same way as Non-Executive Directors.

#### **Anthony Dunnett – Non-Executive Member**

Appointed as Non-Executive Member of DFID's Audit and Risk Assurance Committee in December 2018. Anthony Dunnett transferred to Non-Executive Member of the FCDO's Audit and Risk Assurance Committee in September 2020. Anthony is an economist by training, spending 25 years in international banking. He recently established International Health Partners, coordinating the supply chain of medicines and medical commodities from European industry to support humanitarian disasters and strengthen health systems in over 100 low-income countries. He is also involved in

a number of projects in Africa as Vice Chair of Mercy Ships UK and founder of Quality Medicines for All and VAC Solar.

#### **Fiona Thompson – Non-Executive Member**

Appointed as Non-Executive Member of DFID's Audit and Risk Assurance Committee in September 2016. Fiona Thompson transferred to Non-Executive Member of the FCDO's Audit and Risk Assurance Committee in September 2020. Fiona is a UK Chartered Accountant and is currently Chair of Transparency International UK, a Director and Chair of the Audit Committee of Forum for the Future and serves on the board of the Overseas Development Institute.

#### **Helen Pernelet – Non-Executive Member**

Appointed as Non-Executive Member of the FCO Audit and Risk Assurance Committee in September 2019. Helen Pernelet transferred to Non-Executive Member of the FCDO's Audit and Risk Assurance Committee in September 2020. Helen is a qualified solicitor, and her career in the private sector has spanned the legal profession, investment banking and strategic consulting within global banks and professional services firms in the UK and continental Europe. She is currently a public governor of Ashford and St Peter's Hospitals NHS Foundation Trust and has recently completed a Doctorate of Governance.

#### **Simon O'Regan – Non-Executive Member**

Appointed as Non-Executive Member of FCO's Audit and Risk Assurance Committee in September 2018. Simon O'Regan transferred to Non-Executive Member of the FCDO's Audit and Risk Assurance Committee in September 2020. Simon has forty years' experience in the insurance, pensions, and asset management

industries. Simon is a UK qualified actuary by training and currently carries out a range of Non-Executive Director roles including for the South African insurance company Alexander Forbes, and for the UK listed investment management company Impax Ltd, serving on Remuneration Committees and Audit and Risk Committees.

**Julia Grant – Non-Executive Member**

Appointed as Non-Executive Member of DFID’s Investment Committee in December 2019. Julia Grant transferred to Non-Executive Member of the FCDO’s Investment Committee in September 2020. Julia has a portfolio of Non-Executive Director roles in the public and charity sector. She has held leadership roles in global consulting firms, insurance, and the not-for-profit sector. Julia currently works with Collington Capital Partners LLP in the impact investment sector and is a trustee at the Education Development Trust and a Forestry Commissioner.

**DFID Non-Executive Members**

Anthony Dunnett (NEM – Audit and Risk Assurance Committee) December 2018 – 1 September 2020

Fiona Thompson (NEM – Audit and Risk Assurance Committee) September 2016 – 1 September 2020

Anne Tutt (NEM – Audit and Risk Assurance Committee) September 2014 – 1 September 2020

Julia Grant (NEM – Investment Committee) December 2019-1 September 2020

Jonathan Simcock (NEM – Investment Committee) June 2016-July 2020

**FCO Non-Executive Members**

Helen Pernelet (NEM – Audit and Risk Assurance Committee) September 2019 – 1 September 2020

Simon O’Regan (NEM – Audit and Risk Assurance Committee) September 2018 – 1 September 2020

**Our Top-Level Boards and Committees**

**FCDO Supervisory Board**

**Chair:** Secretary of State for Foreign, Commonwealth and Development Affairs and First Secretary of State

Roles and responsibilities	Issues covered
<p>The FCDO Supervisory Board provides strategic direction and oversight, offering support and challenge to the department with a view to the long-term health, reputation, and success of the FCDO. It is advisory and supervisory in its scrutiny of departmental performance. It offers challenge on how the FCDO is performing against clear objectives, key performance indicators and management of principal risks. The Management Board and Audit and Risk Assurance Committee report to the Supervisory Board.</p>	<p>Two Supervisory Board meetings were held between September 2020 – March 2021 (9 November 2020 and 9 February 2021).</p> <p>The Board discussed critical issues relating to:</p> <ul style="list-style-type: none"> <li>■ FCDO Transformation</li> <li>■ COVID-19 Impact and Mitigation</li> <li>■ Delivering better Value for Money</li> </ul>

<b>Members of the FCDO Supervisory Board (2 September 2020 – March 2021)</b>	<b>Tenure</b>	<b>No. of meetings attended 2 September 2020 – March 2021</b>
The Rt Hon Dominic Raab, Secretary of State for Foreign, Commonwealth and Development Affairs and First Secretary of State (Chair)	From 2 September 2020	2/2
Baroness Helena Morrissey, Lead Non-Executive Director	From 2 September 2020	2/2
John Coffey, Non-Executive Director	From 21 September 2020	2/2
Beverley Tew, Non-Executive Director	From 1 October 2020	2/2
Ann Cormack, Non-Executive Director	From 2 October 2020	2/2
Sir Philip Barton, Permanent Under-Secretary	From 2 September 2020	2/2
Juliet Chua, Director General – Finance and Corporate	From 2 September 2020	2/2
Kumar Iyer, Director General – Delivery	From 2 September 2020	2/2
Nic Hailey, Director General – Transformation	From 2 September 2020	2/2

## DFID Departmental Board

<b>Roles and responsibilities</b>	<b>Issues covered</b>
<p>The DFID Departmental Board provided collective strategic leadership and challenge on strategy and policy priorities, major corporate issues, and risks.</p> <p>The Board was chaired by the Secretary of State and attended by the permanent members listed in the table below.</p>	<p>During the period April 2020 – 1 September 2020, the DFID Departmental Board met once on 21 July 2020.</p> <p>The Board discussed:</p> <ul style="list-style-type: none"> <li>■ Audit and Risk Assurance Committee Annual Report</li> <li>■ Progress on the Integrated Review</li> <li>■ Progress on the creation of the FCDO</li> </ul>

<b>Members of the DFID Departmental Board (April 2020 – 1 September 2020)</b>	<b>Tenure</b>	<b>No. of meetings attended April 2020 – 1 September 2020</b>
The Rt Hon Anne-Marie Trevelyan MP (Chair)	1 April 2020 – 1 September 2020	1/1
Lord Goldsmith, Minister of State	1 April 2020 – 1 September 2020	0/1
Lord Ahmad, Minister of State	1 April 2020 – 1 September 2020	1/1
The Rt Hon James Cleverly MP, Minister of State	1 April 2020 – 1 September 2020	1/1
Nigel Adams MP, Minister of State	1 April 2020 – 1 September 2020	0/1
Wendy Morton MP, Minister of State	1 April 2020 – 1 September 2020	1/1
James Duddridge MP, Parliamentary Under Secretary of State	1 April 2020 – 1 September 2020	1/1
Baroness Sugg, Parliamentary Under Secretary of State	1 April 2020 – 1 September 2020	1/1
Nick Dyer, Acting Permanent Secretary	1 April 2020 – 1 September 2020	1/1
Marc Bolland, Lead Non-Executive Director	1 April 2020 – 31 August 2020	1/1
Sally Jones-Evans, Non-Executive Director	1 April 2020 – 1 September 2020	1/1
Alan Johnson, Non-Executive Director	1 April 2020 – 1 September 2020	1/1
Richard Clarke, Director General – Policy, Research and Humanitarian	1 April 2020 – 1 September 2020	0/1
Juliet Chua, Director General – Finance and Corporate Performance	1 April 2020 – 1 September 2020	1/1
Moazzam Malik, Director General – Country Programmes	1 April 2020 – 1 September 2020	1/1
Rachel Turner, Acting Director General – Economic Development and International	1 April 2020 – 1 September 2020	0/1
Melinda Bohannon, Director Strategy	1 April 2020 – 1 September 2020	1/1
Tim Jones, Director Finance, Commercial and Delivery	1 April 2020 – 1 September 2020	1/1
Ravi Chand, Chief People Officer	1 April 2020 – 30 April 2020	0/0
Helen Mills, Chief People Officer	1 May 2020 – 1 September 2020	1/1

## FCO Supervisory Board

Roles and responsibilities	Issues covered
<p>The FCO Supervisory Board provided collective strategic leadership of the FCO, bringing together Ministers, senior officials, and Non-Executive Board members. It advised on strategic and high-level operational issues affecting the FCO.</p> <p>The FCO Supervisory Board was chaired by the Foreign Secretary and attended by the permanent members listed in the table below.</p>	<p>During the period 1 April 2020 – 1 September 2020, the FCO Supervisory Board met once on 11 June 2020.</p> <p>The Board discussed issues relating to:</p> <ul style="list-style-type: none"> <li>■ British Council Review</li> <li>■ Human Resources (HR) – Management and development of Senior Management Structure (SMS)</li> </ul>

Members of the FCO Supervisory Board (April 2020 – 1 September 2020)	Tenure	No. of meetings attended April 2020 – 1 September 2020
The Rt Hon Dominic Raab, Secretary of State for Foreign, Commonwealth and Development Affairs and First Secretary of State (Chair)	1 April 2020 – 1 September 2020	1/1
Lord Ahmad, Minister of State	1 April 2020 – 1 September 2020	1/1
Baroness Sugg, Parliamentary Under Secretary of State	1 April 2020 – 1 September 2020	1/1
Nigel Adams MP, Minister of State	1 April 2020 – 1 September 2020	1/1
Wendy Morton MP, Minister of State	1 April 2020 – 1 September 2020	1/1
The Rt Hon James Cleverly MP, Minister of State	1 April 2020 – 1 September 2020	1/1
Lord Goldsmith, Minister of State	1 April 2020 – 1 September 2020	1/1
James Duddridge, Minister of State	1 April 2020 – 1 September 2020	1/1
Miranda Curtis, Lead Non-Executive Director	1 April 2020 – 30 June 2020	1/1
Gaenor Bagley, Non-Executive Director	1 April 2020 – 1 September 2020	1/1
Warren Tucker, Non-Executive Director	1 April 2020 – 1 September 2020	1/1
Lord (Simon) McDonald, Permanent Under-Secretary	1 April 2020 – 1 September 2020	1/1
Peter Jones, Chief Operating Officer	1 April 2020 – 1 September 2020	1/1
Andrew Sanderson, Director – Finance	1 April 2020 – 1 September 2020	1/1
Menna Rawlings, Director General – Economic and Global Issues	1 April 2020 – 1 September 2020	1/1
Tom Drew, Director General – Consular and Security	1 April 2020 – 1 September 2020	1/1

## FCDO Management Board

**Chair:** Sir Philip Barton, Permanent Under-Secretary

The FCDO Management Board, chaired by the Permanent Under-Secretary, meets monthly for three hours. Between 2 September 2020 and 31 March 2021, the Management Board met six times. All meetings were held virtually. All members (except Mervyn Thomas) were appointed on 2 September 2020. All Non-Executive Directors are invited to each meeting in an

advisory capacity. Helen Mills left the Board in December 2020 and Jonathan Sinclair left the Board in February 2021. Mervyn Thomas was appointed as Chief People Officer and joined the Board in February 2021. The Board are required to report any related party interests. These are disclosed in Note 16 of the Accounts.

Roles and responsibilities	Issues covered
<p>Reporting to the Supervisory Board, the Management Board ensures rigorous performance, strategic risk and people management and duty of care to staff. The Management Board takes strategic choices for long-term departmental management where a cross-departmental view, impact or action is required. The Board:</p> <ul style="list-style-type: none"> <li>■ Oversees plans, the management of principal risks and performance and stewards the department to maintain its health and reputation</li> <li>■ Communicates the FCDO’s purpose, priorities, vision and values to staff and other stakeholders</li> </ul> <p>The Board reviews the monthly Management Information (MI) reports, which provide an overview of the FCDO’s corporate and financial performance.</p> <p>The Board benefits from input from the Staff Advisory Board and Board observers. The Board oversees the Executive, Strategy, Delivery, Investment, People Committees and Transformation Board, and escalates key MI updates to the Supervisory Board.</p>	<p>From 2 September 2021, Management Board discussions included:</p> <ul style="list-style-type: none"> <li>■ New FCDO corporate governance structures</li> <li>■ Transformation Roadmap, including FCDO new operating model and organisational design with a focus on culture, inclusion, and diversity.</li> <li>■ Overarching Human Resources merger issues</li> <li>■ Spending Review and Integrated Review implications</li> <li>■ 2020 FCDO People Survey results</li> <li>■ Consular Strategy proposal</li> <li>■ Estates</li> </ul>

<b>Members of the FCDO Management Board (2 September 2020 – March 2021)</b>	<b>Tenure</b>	<b>No. of meetings attended 2 September 2020 – March 2021</b>
Sir Philip Barton, Permanent Under-Secretary (Chair)	From 2 September 2020	6/6
Sir Tim Barrow, Political Director	From 2 September 2020	0/6 <sup>17</sup>
Juliet Chua, Director General – Finance and Corporate	From 2 September 2020	6/6
Tom Drew, Director General – Middle East, North Africa, Afghanistan and Pakistan	From 2 September 2020	4/6
Moazzam Malik, Director General – Africa	From 2 September 2020	6/6
Vijay Rangarajan, Director General – Americas and Overseas Territories	From 2 September 2020	6/6
Jenny Bates, Director General – Indo-Pacific	From 2 September 2020	6/6
Kumar Iyer, Director General – Delivery	From 2 September 2020	6/6
Nic Hailey, Director General – Transformation	From 2 September 2020	6/6
Sir Iain MacLeod, Legal Adviser	From 2 September 2020	6/6
Melanie Robinson, UK Ambassador to Zimbabwe (Overseas Network Representative)	From 2 September 2020	6/6
Helen Bower-Easton, Director Communications	From 2 September 2020	6/6
Andrew Sanderson, Financial Controller and Operations Director	From 2 September 2020	6/6
Tim Jones, Director Strategic Finance	From 2 September 2020	6/6
Melinda Bohannon, Director Strategy	From 2 September 2020	6/6
Mervyn Thomas, Chief People Officer	From 1 February 2021	2/2
Helen Mills, (joint) Chief People Officer	From 2 September 2020 – 31 December 2020	1/3 <sup>18</sup>
Jonathan Sinclair, (joint) Chief People Officer	From 2 September 2020 – 26 February 2021	5/5
Liane Saunders, (joint) Director Strategy	From 2 September 2020 – 12 January 2021	3/3

<sup>17</sup> Until 18 January 2021, Sir Tim Barrow was based in Brussels and serving as Head of the UK Mission to the European Union. The Political Director role requires frequent, often ad hoc, travel which has an impact on attendance at regular corporate engagements.

<sup>18</sup> Two meetings were not attended due to exceptional circumstances.

## Agendas

The Supervisory Board and the Management Board are duty bound to consider certain issues on a regular basis. Both reviewed Management Information through key performance reports. This included finance, risk, human resources, project and programme funds, legal challenges, and major projects. In-year financial control and future year resource management are an important part of agendas. The Management Board assessed the financial risk to the department at each meeting, allowing the Board to take any action required, including reprioritisation. The Management Board and Supervisory Board considered a Principal Risk Report, which provided information about the most serious strategic risks and gave assurance that risk was being managed appropriately, enabling the Management Board to consider organisational capacity to respond.

## FCDO Board Observer Scheme

The FCDO Management Board is open to observers through the FCDO Board Observers Scheme. This scheme allows a small number of staff to attend the Management Board each month, review papers and provide valuable feedback to Board members. Observers are selected from different Directorates on a rotating basis.

## Management Information

Following the merger, senior management engaged with FCDO's Non-Executive Directors to determine the Management Information needed to manage the health and reputation of the organisation. This led to the development of a set of Key Performance Indicators for all corporate areas, with accountable owners to measure performance. The Management Board reviews a monthly Management Information Report, which provides an overview of the FCDO's corporate performance. The report is structured to highlight risks and resource implications, any areas that require attention and any significant improvements that have been made. This allows for sufficient engagement and challenge during discussions. The Board reported that overall, the governance structures were maturing effectively, with good quality MI coming to the Board.

## DFID Management Board

**Chair:** Nick Dyer, Acting Permanent Secretary

Roles and responsibilities	Issues covered
<p>The DFID Management Board made decisions on operational and policy implementation issues that required a collective, cross-departmental view, and benefited from external challenge.</p> <p>The Management Board:</p> <ul style="list-style-type: none"> <li>■ Set long-term strategic direction</li> <li>■ Took strategic decisions and formally approved issues that required cross-departmental impact or required a co-ordinated response including in-year, future year, and long-term decisions, and where input from Non-Executive Directors would add value</li> <li>■ Monitored progress against DFID's plans and commitments, performance, and risk</li> </ul>	<p>During the period 1 April 2020 – 1 September 2020, the DFID Management Board met four times (28 April, 26 May, 30 June, and 28 July 2020).</p> <p>The Board monitored the progress of, and made decisions on:</p> <ul style="list-style-type: none"> <li>■ Strategic Risk Register</li> <li>■ ODA Prioritisation</li> <li>■ Staff Wellbeing/ COVID-19 impact</li> </ul>

Members of the DFID Management Board (April 2020 – 1 September 2020)	Tenure	No. of meetings attended April 2020 – 1 September 2020
Nick Dyer, Acting Permanent Secretary (Chair)	1 April 2020 – 1 September 2020	4/4
Marc Bolland, Lead Non-Executive Director	1 April 2020 – 31 August 2020	3/4
Sally Jones-Evans, Non-Executive Director	1 April 2020 – 1 September 2020	2/4
Alan Johnson, Non-Executive Director	1 April 2020 – 1 September 2020	3/4
Richard Clarke, Director General – Policy, Research and Humanitarian	1 April 2020 – 1 September 2020	3/4
Juliet Chua, Director General – Finance and Corporate Performance	1 April 2020 – 1 September 2020	4/4
Moazzam Malik, Director General – Country Programmes	1 April 2020 – 1 September 2020	1/4
Rachel Turner, Acting Director General – Economic Development and International	1 April 2020 – 1 September 2020	2/4
Melinda Bohannon, Director Strategy	1 April 2020 – 1 September 2020	3/4
Tim Jones, Director Finance, Commercial and Delivery	1 April 2020 – 1 September 2020	4/4
Ravi Chand, Chief People Officer	1 April 2020 – 30 April 2020	1/1
Helen Mills, Chief People Officer	1 May 2020 – 1 September 2020	3/3

## FCO Management Board

**Chair:** Lord (Simon) McDonald, Permanent Under-Secretary

Roles and responsibilities	Issues covered
The FCO Management Board provided corporate leadership to the department by delivering policies and services decided by Ministers.	<p>During the period April 2020 – 1 September 2020, the FCO Management Board met four times (7 May, 26 June, 17 July, and 27 July 2020).</p> <p>The Board monitored the progress of, and made decisions on:</p> <ul style="list-style-type: none"> <li>■ FCO Services Corporate Plan</li> <li>■ Global Travel Contract</li> <li>■ FCO Top Risk Register</li> <li>■ FCO's COVID-19 response</li> <li>■ British Council Review</li> </ul>

Members of the FCO Management Board (April 2020 – 1 September 2020)	Tenure	No. of meetings attended April 2020 – 1 September 2020
Lord (Simon) McDonald, Permanent Under-Secretary (Chair)	1 April 2020 – 1 September 2020	4/4
Miranda Curtis, Lead Non-Executive Director	1 April 2020 – 30 June 2020	2/4
Gaenor Bagley, Non-Executive Director	1 April 2020 – 31 August 2020	4/4
Warren Tucker, Non-Executive Director	1 April 2020 – 31 August 2020	4/4
Menna Rawlings, Director General – Economic and Global Issues	1 April 2020 – 1 September 2020	4/4
Jenny Bates, Director General – Europe	1 April 2020 – 1 September 2020	4/4
Simon Manley, Director General COVID-19	1 April 2020 – 1 September 2020	4/4
Richard Moore, Director General – Political Affairs	1 April 2020 – 1 September 2020	4/4
Tom Drew, Director General – Consular and Security	1 April 2020 – 1 September 2020	4/4
Kumar Iyer, Chief Economist	1 April 2020 – 1 September 2020	4/4
Peter Jones, Chief Operating Officer	1 April 2020 – 1 September 2020	3/4
Andrew Sanderson, Director – Finance	1 April 2020 – 1 September 2020	4/4
Sir Iain MacLeod, Legal Adviser	1 April 2020 – 1 September 2020	3/4
Helen Bower-Easton, Director Communications	1 April 2020 – 1 September 2020	4/4

<b>Members of the FCO Management Board (April 2020 – 1 September 2020)</b>	<b>Tenure</b>	<b>No. of meetings attended April 2020 – 1 September 2020</b>
Jonathan Sinclair, HR Director	1 April 2020 – 1 September 2020	4/4
Liane Saunders, Director Strategy	1 April 2020 – 1 September 2020	4/4
Jill Morris, Overseas Network Representative	1 April 2020 – 1 September 2020	4/4
Nic Hailey, Director General – Transformation	16 June 2020 – 1 September 2020	2/2

## FCDO Executive Committee

**Chair:** Sir Philip Barton, Permanent Under-Secretary

<b>Roles and responsibilities</b>	<b>Issues covered</b>
<p>The Executive Committee (ExCo) meets weekly and takes decisions on strategic choices or challenges relating to sensitive or time-bound issues, day to day running of the department, emerging issues, risks or crises with departmental wide implications.</p> <p>ExCo escalates issues and advice to the Management Board where a longer-term formal decision is required. ExCo also undertakes periodic horizon scanning and business engagement to identify emerging sources of uncertainty, threats, and trends, referring principal risks that require ongoing monitoring to the Management Board.</p>	<p>During the period 2 September 2020 to 31 March 2021, ExCo met 22 times. ExCo discussions included:</p> <ul style="list-style-type: none"> <li>■ Corporate Governance Architecture</li> <li>■ Integrated review and spending review</li> <li>■ Places for Growth agenda</li> <li>■ FCDO resourcing</li> <li>■ EU Exit – Strategic implications for FCDO portfolio</li> <li>■ COVID-19 global scenarios and preparedness for programmes, diplomacy, and policy</li> <li>■ Review of safeguarding process against sexual exploitation and abuse and sexual harassment</li> <li>■ Union Strategy</li> <li>■ COP 26</li> <li>■ G7 Presidency</li> <li>■ Business Planning and Resource Allocations</li> </ul>

<b>Members of the Executive Committee (2 September 2020 – March 2021)</b>	<b>Tenure</b>	<b>No. of meetings attended 2 September 2020 – March 2021</b>
Sir Philip Barton, Permanent Under-Secretary (Chair)	From 2 September 2020	22/22
Juliet Chua, Director General – Finance and Corporate	From 2 September 2020	22/22
Tom Drew, Director General – Middle East, North Africa, Afghanistan and Pakistan	From 2 September 2020	21/22
Moazzam Malik, Director General – Africa	From 2 September 2020	20/22
Vijay Rangarajan, Director General – Americas and Overseas Territories	From 2 September 2020	22/22
Jenny Bates, Director General – Indo-Pacific	From 2 September 2020	19/22
Kumar Iyer, Director General – Delivery	From 2 September 2020	20/22
Nic Hailey, Director General – Transformation	From 2 September 2020	21/22
Sir Iain MacLeod, Legal Adviser	From 2 September 2020	21/22
Sir Tim Barrow, Political Director	From 2 September 2020	6/22 <sup>19</sup>
Helen Bower-Easton, Director Communications	From 2 September 2020	19/22
Andrew Sanderson, Financial Controller and Operations Director	From 2 September 2020	22/22
Tim Jones, Director Strategic Finance	From 2 September 2020	22/22
Melinda Bohannon, Director Strategy	From 2 September 2020	20/22
Mervyn Thomas, Chief People Officer	From 1 February 2021	5/5
Rachel Glennerster, Chief Economist	From 2 September 2020	17/22
Charlotte Watts, Chief Scientific Adviser	From 2 September 2020	22/22
Helen Mills, (joint) Chief People Officer	From 2 September 2020 – 31 December 2020	7/15 <sup>20</sup>
Jonathan Sinclair, (joint) Chief People Officer	From 2 September 2020 – 26 February 2021	18/19
Liane Saunders, (joint) Director Strategy	From 2 September 2020 – 12 January 2021	15/15

<sup>19</sup> Until 18 January 2021, Sir Tim Barrow was based in Brussels and serving as Head of the UK Mission to the European Union. The Political Director role requires frequent, often ad hoc, travel which has an impact on attendance at regular corporate engagements.

<sup>20</sup> Eight meetings were not attended due to exceptional circumstances.

<b>Members of the Executive Committee (2 September 2020 – March 2021)</b>	<b>Tenure</b>	<b>No. of meetings attended 2 September 2020 – March 2021</b>
Carole Mundell, (joint) Chief Scientific Adviser	From 2 September 2020 – January 2021	15/15

## DFID/FCO Joint Executive Committee

**Chair:** Lord (Simon) McDonald (FCO Permanent Under-Secretary) and Nick Dyer (Acting DFID Permanent Secretary)

<b>Roles and responsibilities</b>	<b>Issues covered</b>
The Joint Executive Committee (JExCo) was established in June 2020 bringing together the executive members of both DFID and FCO Management Boards to meet weekly, in advance of the FCDO merger. JExCo continued to have delegated authority to make decisions on certain issues, with a specific focus on the implementation of proposals on the transformation portfolio for the FCDO.	<p>The Joint Executive Committee met ten times between June 2020 – 1 September 2020.</p> <p>JExCo discussions included:</p> <ul style="list-style-type: none"> <li>■ FCDO Transformation (including vision, organisational design, risks, resourcing)</li> <li>■ Operational planning for the end of EU transition</li> <li>■ Senior level Champion Merger workstreams</li> <li>■ Integrated Review and Spending Review update and planning</li> <li>■ Places for Growth</li> </ul>

## DFID Executive Committee

**Chair:** Nick Dyer, Acting Permanent Secretary

<b>Roles and responsibilities</b>	<b>Issues covered</b>
The DFID Executive Committee made decisions on sensitive, time critical, internal policy implementation and operational issues. It took urgent decisions and gave early strategic steers (e.g. on the level of ambition and approach) on issues which required a cross-departmental view, had a cross-departmental impact, or required a co-ordinated response.	<p>During the period April 2020 – 1 September 2020, DFID ExCo met eleven times. ExCo discussions included:</p> <ul style="list-style-type: none"> <li>■ Staff Wellbeing/COVID-19 impact</li> <li>■ COVID-19: strategy, delivery, and risk management</li> <li>■ DFID-FCO closer alignment</li> <li>■ Integrated Review</li> <li>■ Implementation of DFID's Race Action Plan</li> </ul>

## FCO Executive Committee

**Chair:** Lord (Simon) McDonald, Permanent Under-Secretary

Roles and responsibilities	Issues covered
<p>Executive members of the Management Board met weekly as the FCO Executive Committee, which had delegated authority to make decisions on certain issues. This Committee also monitored the implementation of agreed proposals not requiring Management Board attention.</p>	<p>During the period April 2020 – 1 September 2020, FCO ExCo met 11 times. ExCo monitored the progress of, and made decisions on:</p> <ul style="list-style-type: none"> <li>■ COVID-19 – strategy, delivery, and risk management</li> <li>■ FCO-DFID closer alignment</li> <li>■ Overseas compensation review</li> <li>■ Spending Review and Integrated Review update</li> <li>■ British Council review</li> <li>■ Policy Programme Portfolio Board/ ODA Reprioritisation</li> <li>■ EU transition</li> <li>■ Senior Leadership action on Race/ Black Lives Matter</li> </ul>

## FCDO Staff Advisory Board

**Chair:** Baroness Helena Morrissey (Lead Non-Executive Director) and Tom Drew (Director General – Middle East, North Africa, Afghanistan and Pakistan)

Roles and responsibilities	Issues covered
<p>The Staff Advisory Board (SAB) is comprised of 20 members from across the FCDO, covering the full span of grades below Senior Civil Service and are based in different parts of the UK and overseas. The Board discusses any issue going to the Management Board and Executive Committee where there are significant impacts on people, strategy, and operations through written and verbal advice. The input provided by the SAB has helped the Management Board improve its ability to take informed decisions, building on an inclusive culture.</p>	<p>SAB meets monthly and met six times between September 2020 – 31 March 2021. Discussions included:</p> <ul style="list-style-type: none"> <li>■ Culture and inclusive leadership</li> <li>■ Director transition plan</li> <li>■ Team mergers</li> <li>■ Risk appetite</li> <li>■ People Survey</li> <li>■ Recruitment and Promotion policy</li> <li>■ Wellbeing and resilience</li> </ul>

Prior to the merger, both DFID and FCO had staff advisory boards (the **DFID Challenge Board** and **FCO Sounding Board**) providing a formal staff consultation mechanism for proposals coming to the Management Boards and the Executive Committees. Both focused on proposals which would directly affect staff.

## FCDO Audit and Risk Assurance Committee

**Chair:** John Coffey, Non-Executive Director

Roles and responsibilities	Between September 2020 – March 2021, the Committee met twice. Meetings focused on:	Assurance provided by:
<p>The Audit and Risk Assurance Committee (ARAC) is comprised of two Non-Executive Directors and four Non-Executive Members. It meets at least five times a year.</p> <p>The ARAC supports the Supervisory Board and the Accounting Officer to review decisions and processes designed to ensure sound systems of internal control, including the overarching control framework and related assurance mechanisms, risk management, financial accounting and reporting including internal and external audit, Arm's Length Bodies, counter-fraud and safeguarding.</p> <p>The Committee also reviews other aspects of corporate governance as required. To ensure its independence, the Committee has no executive responsibilities.</p>	Oversight of the FCDO's risk management approach and risk policy, including oversight of the new risk appetite statement.	Better Delivery Department (BDD)
	Oversight of assurances provided by the transformation team on the delivery of the transformation portfolio.	Transformation team
	Overview of financial accounting and reporting.	Finance and Control Department (F&C)
	Oversight of the FCDO's control and assurance framework.	F&C
	Receiving regular updates and reports from the Internal Audit Department and Internal Audit Investigation Section.	Internal Audit Department (IAD)
	Regular reviews of the progress against the Internal Audit Department's annual audit plans.	IAD
	Review of the National Audit Office external audit plans.	National Audit Office

## DFID Audit and Risk Assurance Committee

**Chair:** Alan Johnson, Non-Executive Director

<b>Roles and responsibilities</b>	<b>Between March 2020 – August 2020, the Committee met four times. Meetings focused on:</b>	<b>Assurance provided by:</b>
<p>The Audit and Risk Assurance Committee was comprised of two Non-Executive Directors and three Non-Executive members. It met at least five times a year. The ARAC reviewed and advised the Departmental Board and the Accounting Officer on:</p> <ul style="list-style-type: none"> <li>■ The effectiveness of internal controls, including compliance with corporate rules.</li> <li>■ The effectiveness of processes and actions in relation to risk management across DFID including for strategic risk.</li> <li>■ Accounting policies, financial statements, and annual reports of DFID and DFID’s Overseas Superannuation.</li> <li>■ Annual audit plans and results for both internal and external audit. Adequacy of management response to issues identified by audit activity.</li> <li>■ The reporting of fraud and resulting investigations, anti-fraud policies and procedures, whistleblowing processes.</li> <li>■ In conducting its work, it met regularly with internal and external auditors without the presence of management.</li> </ul>	<p>Reviewing the 2019-20 Annual Report and financial statements and recommending the approval by the DFID Departmental Board.</p>	<p>Finance &amp; Control Department</p>
	<p>Oversight of DFID’s risk management approach and risk policy, including improvements made during the year.</p>	<p>Better Delivery Department</p>
	<p>Oversight of the implementation of a new due diligence hub.</p>	<p>Internal Audit Department</p>
	<p>Oversight of DFID’s control and assurance framework, including improvements to the annual assurance process through the adoption of continuous assurance during the year.</p>	<p>Internal Audit Department</p>
	<p>DFID’s valuation of financial investments.</p>	<p>National Audit Office</p>
	<p>Receiving regular updates and reports from the Internal Audit Department and Internal Audit Investigation Section.</p>	<p>Internal Audit Department</p>

## FCO Audit and Risk Assurance Committee

**Chair:** Warren Tucker, Non-Executive Director

<b>Roles and responsibilities</b>	<b>Between April 2020 – August 2020, the Committee met six times (three ARAC meetings, two Cyber Deep Dive meetings and an ARAC ALB Chairs meeting). Meetings focused on:</b>	<b>Assurance provided by:</b>
<p>The Audit and Risk Assurance Committee supported the Management Board and Permanent Under-Secretary as Accounting Officer by advising on the effectiveness of arrangements for governance, risk management and internal control. It reviewed the comprehensiveness, reliability and integrity of assurances provided to the Management Board and PUS; challenged the executive and promoted best practice across the FCO. It had no executive responsibilities.</p> <p>The Committee was chaired by FCO Non-Executive Director Warren Tucker and was comprised of two further independent members, Helen Pernelet and Simon O'Regan. The Chief Operating Officer, National Audit Office Director, Head of Internal Audit, Finance Director, and other Directors attended as required. The Committee met at least five times a year, with one meeting devoted to the review and external audit of the FCO accounts and had Deep Dive sessions into specific operational risks (e.g. cyber security and commercial). A regular review of the Committee's effectiveness was undertaken using NAO guidance and an annual meeting was held with the ARAC Chairs of all the FCO Arm's Length bodies.</p>	<p>Reviewing and approving the 2019-20 Annual Report and financial statements.</p> <p>Regular reviews and updates from Finance Directorate.</p> <p>Review of Atlas Programme.</p>	<p>Finance Directorate</p>
	<p>Providing an annual assurance opinion to the PUS.</p> <p>Internal Audit and Fraud Annual report.</p> <p>Regular updates and reports from Internal Audit Department and Anti-Fraud and Corruption Unit.</p> <p>Approval of Internal Audit Department Annual Plan and Strategy 2020-21.</p>	<p>Internal Audit Department</p>
	<p>Review of the Raising Concerns Policy.</p>	<p>Human Resources Directorate</p>
	<p>Regular reviews and updates of Risk Management.</p> <p>Review of Information Risk.</p>	<p>Strategy Directorate</p>
	<p>Cyber Security deep dive discussions.</p>	<p>Knowledge and Technology Directorate</p>
	<p>Annual meeting with Audit and Risk Assurance Committee Chairs of the Arm's Length Bodies</p>	<p>Audit and Risk Assurance Committee Chairs of the Arm's Length Bodies</p>

## FCDO Investment Committee

**Chair:** Juliet Chua, Director General Finance and Corporate Performance

Roles and responsibilities	Issues covered
<p>The Investment Committee provides assurance to the Management Board on work underway to:</p> <ul style="list-style-type: none"> <li>■ Develop and oversee the FCDO's approach to achieving value for money at departmental, portfolio and programme level</li> <li>■ Oversee design, implementation and changes to the management frameworks that guide investment decisions to achieve value for money</li> <li>■ Oversee and shape overall portfolio mix to meet FCDO commitments</li> <li>■ Scrutinise major and high-risk projects and programmes, assessing whether the programme should proceed and if it offers value for money</li> </ul>	<p>The Investment Committee met twice between 2 September – 31 March 2021. The following issues were covered:</p> <ul style="list-style-type: none"> <li>■ Terms of Reference Review</li> <li>■ Management Information update</li> <li>■ Value for Money update</li> <li>■ Sub-committee structure and oversight</li> <li>■ Approvals Review process</li> <li>■ The new FCDO Programme Operating Framework</li> </ul>

## DFID Investment Committee

**Chair:** Juliet Chua, Director General Finance and Corporate Performance

Roles and responsibilities	Issues covered
<p>The role of the Investment Committee was to provide assurance to the DFID Management Board on work underway to:</p> <ul style="list-style-type: none"> <li>■ Provide leadership and challenge overall portfolio development and performance</li> <li>■ Improve value for money across DFID spend, focused on portfolio and programme-level management, as well as priority VFM enablers</li> <li>■ Strengthen the VFM framework that is embedded in our culture, systems, guidance, reviews, and accountabilities</li> <li>■ Quantified efficiencies policy and implementation for the next Spending Review – the Investment Committee oversight of reporting to HM Treasury</li> </ul>	<p>DFID's Investment Committee met four times between April 2020 – 1 September 2020. The following issues were covered:</p> <ul style="list-style-type: none"> <li>■ Management Information update</li> <li>■ Chief Economist's Office update</li> <li>■ Results</li> <li>■ Value for Money update</li> <li>■ Procurement and Commercial Department update</li> <li>■ Terms of Reference review</li> </ul>

## FCO Investment, Infrastructure and Operations Committee

**Chair:** Peter Jones, Chief Operating Officer

Roles and responsibilities	Issues covered
<p>The FCO Investment, Infrastructure and Operations Committee (IIOC) provided oversight and assurance of the FCO's Estates, IT, programme, and other investments, in support of the Permanent Under-Secretary as Chief Accounting Officer. It ensured that decisions delivered value for money and met business needs for the FCO and One HMG partners overseas.</p> <p>The IIOC remained accountable to the FCO Management Board and formally reported to the Board on decisions it took and asked the Board to approve any proposed investments over £15 million based on the IIOC's recommendations. The Committee provided the same level of oversight on the FCO programme spending with scrutiny focused on capacity, delivery model, financial requirements, and fiduciary risk.</p>	<p>The FCO Investment, Infrastructure and Operations Committee met nine times between April 2020 – 1 September 2020. The following issues were covered:</p> <ul style="list-style-type: none"> <li>■ Tokyo (Estates strategy)</li> <li>■ Outline Business Cases: Hong Kong, Ashgabat, Jordan Police Professionalisation, Somalia Low Level Defectors Programme, Tunisia World Bank projects, Anti-smuggling and Trafficking Nigeria-Niger, Support to Syria Civil Defence, Freetown and Bamako</li> <li>■ Full business cases: Ottawa, COP 26 venue – Scottish Events Campus Ltd and UK National Authority for Counter Eavesdropping</li> <li>■ Dynamic Purchasing System</li> <li>■ ECHO2 continuity of service</li> <li>■ Training and support provision to Afghanistan Justice and Human Rights Partnership</li> <li>■ Anguilla COVID-19 Emergency Financial Aid Programme</li> <li>■ Global Asset Management Plan</li> <li>■ Global travel contract</li> <li>■ Turkey Financial Services</li> <li>■ Security Awareness in Fragile Environments Training contract</li> <li>■ Global Facilities Management Asia Pacific Generation 2 contract</li> <li>■ Extension of Memorandum of Understanding with the International Organisation for Migration</li> </ul>

## FCDO People Committee

**Chair:** Juliet Chua, Director General Finance and Corporate Performance

Roles and responsibilities	Issues covered
<p>The FCDO People Committee has the following responsibilities:</p> <ul style="list-style-type: none"> <li>■ Promote prioritisation and collective ownership to develop and implement the People plan/strategy</li> <li>■ Progress, support and optimize HR policy development and delivery</li> <li>■ Provide quality assurance of HR policy and strategy</li> <li>■ Assess the cumulative impact of policy changes on overall workforce shape and trends</li> </ul>	<p>The People Committee met twice between 2 September 2020 – 31 March 2021. The following issues were covered:</p> <ul style="list-style-type: none"> <li>■ HR People Journey roadmap</li> <li>■ Review of HERA programme</li> <li>■ Mandatory staff Safeguarding training</li> <li>■ Country Based Staff Strategy</li> </ul>

## FCDO Strategy Committee

**Chair:** Sir Philip Barton, Permanent Under-Secretary

Roles and responsibilities	Issues covered
<p>The Strategy Committee is responsible for making sure the department is fit for the future. It focuses on challenge and strategic oversight, recommending changes to the FCDO's strategic direction, building strategic capability, and assessing coherence and links into UK Government strategy.</p>	<p>The Strategy Committee met once between 2 September 2020 – 31 March 2021. The following issues were covered:</p> <ul style="list-style-type: none"> <li>■ Strategic capability in the FCDO</li> <li>■ Review of FCDO strategic horizon scanning</li> </ul>

## FCDO Senior Leadership Board

**Chair:** Sir Philip Barton, Permanent Under-Secretary

Roles and responsibilities	Issues covered
<p>The FCDO Senior Leadership Board (SLB) comprises the PUS, DGs and Political Director, the Chief People Officer, and a Non-Executive Director. The primary focus of the SLB is on the management and deployment of leadership resource at Senior Civil Service (SCS) grade 2 and above.</p> <p>The SLB also oversees the performance, talent, and broader aspects of management of the SCS2 and above cadre within the FCDO, ensuring best use of existing SCS resource, improving diversity and inclusion within the cadre, while bringing on and through talented staff as the FCDO goes through transition and transformation periods.</p>	<p>The FCDO Leadership Board met six times between 2 September 2020 – 31 March 2021. The following issues were covered:</p> <ul style="list-style-type: none"> <li>■ SLB recommendations on a number of appointments at SCS Grade 2 both in the UK and overseas</li> <li>■ Oversight of Director restructuring within the FCDO</li> <li>■ Formal sign off for upgrades of roles to SCS and new SCS roles</li> <li>■ Agreement to the FCDO approach to talent management and performance at SCS</li> <li>■ Continued best use of, and building diversity in, the senior leadership cadre</li> </ul>

## DFID Senior Leadership Committee

**Chair:** Nick Dyer, Acting Permanent Secretary

Roles and responsibilities	Issues covered
<p>The DFID Senior Leadership Committee (SLC) comprised the Permanent Secretary, DGs and the Chief People Officer.</p> <p>The Senior Leadership Committee had responsibility for:</p> <ul style="list-style-type: none"> <li>■ Ensuring DFID’s Senior Civil Servant structure and roles were designed to meet DFID’s future and changing leadership needs</li> <li>■ Undertaking overall workforce planning and management for the SCS cadre to meet organisational priorities. Ensuring effective leadership at the start and then cascading responsibilities</li> <li>■ Managing DFID’s SCS workforce, including ratifying all SCS appointments</li> <li>■ Managing SCS performance and associated reward</li> <li>■ Leading on SCS talent and succession management</li> <li>■ SCS cadre management</li> </ul> <p>The Senior Leadership Committee met monthly.</p>	<p>The DFID Senior Leadership Committee met four times between April 2020 – 1 September 2020. The following issues were covered:</p> <ul style="list-style-type: none"> <li>■ Ensuring DFID’s SCS structure and roles had responded to DFID’s priorities and general oversight of all SCS recruitment</li> <li>■ Setting up the end of the performance year to ensure robust assessment of SCS performance</li> <li>■ Continuing the focus on honest and meaningful talent conversations with SCS for career and development planning purposes and addressing development needs, issues, gaps, and risks</li> <li>■ Building leadership capabilities across the SCS cadre</li> </ul>

## FCO Senior Appointments Board

**Chair:** Lord (Simon) McDonald, Permanent Under-Secretary

Roles and responsibilities	Issues covered
<p>The FCO Senior Appointments Board (SAB) comprised the PUS, DGs, the Director of Human Resources plus a Non-Executive and independent members at DG level.</p> <p>The main focus of the Board was recommending appointments to the FCO’s most senior jobs at home and overseas at Senior Management Structure Pay Bands 2 and above.</p>	<p>The FCO Senior Appointments Board met four times between April 2020 – 1 September 2020. The following issues were covered:</p> <ul style="list-style-type: none"> <li>■ A number of senior appointments both in the UK and overseas agreed</li> <li>■ Succession planning and talent pipelines, including diversity in the FCO’s senior leadership</li> <li>■ Longer term workforce planning, including signing off any changes to the footprint of jobs within the Senior Management cadre and had oversight of SMS strategic workforce planning</li> </ul>

## FCDO Transformation Board

**Chair:** Nic Hailey, Director General – Transformation

Roles and responsibilities	Issues covered
<p>The Transformation Board is a temporary structure and is accountable to the Management Board for delivery of the transformation portfolio.</p> <p>The Transformation Board:</p> <ul style="list-style-type: none"> <li>■ Monitors delivery against plans</li> <li>■ Sets the direction and controls the design parameters for the FCDO new operating model</li> <li>■ Scrutinises change proposals and provides feedback to ensure consistency with Ministers' overall vision</li> <li>■ Leads communications about changes and their sequencing</li> <li>■ Actively consults and engages with the network and other key stakeholders across government</li> </ul>	<p>The Transformation Board met 44 times from June 2020 to March 2021 and discussed a wide range of issues, including:</p> <ul style="list-style-type: none"> <li>■ Strengthening programme delivery</li> <li>■ The future operating model and organisational design</li> <li>■ The overall scope of the Transformation Portfolio, key milestones and major risks</li> <li>■ Staff engagement and communications</li> <li>■ New cross-HMG country plans, implementation and delivery</li> <li>■ Measuring progress of the transformation portfolio</li> <li>■ Creating an inclusive and diverse FCDO culture</li> <li>■ Digital, Data and Technology transformation programme plan</li> <li>■ A new operating model for finance</li> <li>■ An enhanced role for the FCDO's International Academy</li> <li>■ Building staff capability</li> </ul>

### Board Effectiveness Evaluation

The 2020-21 Board Effectiveness Evaluation found that the FCDO had effectively established a functional Supervisory Board and supporting Boards/Committees since its launch in September 2020. There was complete attendance at the Supervisory Board meetings in 2020-21. Across the FCDO's supporting Boards and Committees, meetings took place in 2020-21 with high levels of attendance. Recommendations were made to further improve its effectiveness, which will be actioned in 2021-22. The focus in 2021-22 will be on further developing the role of the NEDs and maximising use of the insights and challenge they bring.

### Risk Management and Internal Control

The FCDO's Board Framework includes the following complementary risk roles:

- The Management Board is responsible for continually assessing FCDO's risk appetite, monitoring our identification of and response to principal risks (the most significant risks to our performance and reputation) and promoting a sound risk management culture and approach.
- The Executive Committee ensures risk is integrated in strategic decision-making, leads rapid reviews of significant risks and considers risk as part of resource allocation.

- The Supervisory Board seeks assurance of the department's risk management framework and risk appetite.
- The Audit and Risk Assurance Committee advises the Board and the Accounting Officer on the strategic processes for risk, control and governance and provides assurances relating to the management of risk and corporate governance.
- Sub-Committees of the Management Board (Delivery, Strategy, Transformation, People and Investment) consider risk within the scope of their remit.

The Management Board monitors risk exposure in seven categories of risk, set out in a Risk Appetite Statement:

- **Strategy and context:** Risk arising from pursuing diplomatic and development objectives which are undermined by a changing context, a lack of clarity or a weak evidence base. These risks undermine our delivery, influence, and impact.
- **Policy and programme delivery:** Risk arising from implementation of our core business of diplomacy and development, due to weaknesses in influence and engagement, programme delivery, commercial management, resourcing and/or operational support. These risks undermine our impact, influence, and reputation.
- **Public service delivery and operations:** Risk arising from weaknesses in the delivery of consular services or the delivery of internal operations which support our core business and wider Government, including security, legal, technology and information and property risks, impacting delivery, our people and British citizens.

- **People:** Risk arising from weaknesses in leadership and engagement, culture and behaviours and/or workforce capacity and capability, impacting on performance.
- **Safeguarding:** Risk arising from failure to establish and maintain strong safeguards to prevent harm to beneficiaries of our programmes or the environment, resulting in ethical violations and reputational damage.
- **Financial and fiduciary:** Risk arising from our funds being used for unintended purposes or not managed in accordance with requirements, commitments, and constraints, resulting in poor value for money, compliance failures and reputational damage.
- **Reputational:** Risk arising from political or adverse events, including delivery failures and ethical violations, damaging FCDO's and/or the UK's reputation.

The FCDO's approach to risk is summarised in our Risk Appetite Statement. We accept higher risk when it is justified by the context we work in or the expected contribution to our mission. For example, we will accept risk to address national security threats; deliver humanitarian support; support long-term change to foster open societies and reduce fragility and conflict; influence entrenched situations; and innovate to tackle global challenges. We accept only limited risks to public service delivery and operations, including consular services for UK citizens, prioritising stability. We are committed to reducing risks of fraud and sexual exploitation, abuse and harassment, showing zero tolerance for inaction or mishandling. We accept that the risks we take to achieve our mission could impact our reputation, but we limit our exposure through escalating reputational risks swiftly, investing in good risk management and

learning and communicating effectively about our global priorities and impact.

More information on the FCDO's risk profile during 2020-21 and how the Management Board reviews the principal risks can be found in the FCDO Performance Report above (page 45).

We have set risk management rules for our portfolio of policy programmes through a new Programme Operating Framework. A new FCDO Risk Management Policy was published in July 2021, aligned to the principles set out in the UK Government's 'The Orange Book: Management of Risk – Principles and Concepts'.

A new FCDO Internal Control Framework has been developed which outlines our system of internal control, including the relationship between risk, control and assurance. It covers all FCDO activity across international policy, programme delivery, consular and corporate, including in our leadership of overseas alignment. It has been designed to support the Permanent Under-Secretary as Accounting Officer, by providing reasonable assurance that risks are being managed to an acceptable level and that our objectives are met in a way that complies with legislation and government policy; protects our staff from harm; protects UK funds from misuse; and delivers value for money.

The FCDO has three lines of defence in place for risk management. Posts and geographic, thematic and multilateral directorates (the 'first line') identify, assess, own and manage risk on a day-to-day basis. Central functions ('second line') are responsible for overseeing and supporting risk management. They set policies, process and guidance and support their implementation; alert management to emerging risks; and monitor compliance and effectiveness. Internal Audit ('third line') provides an objective evaluation of the

adequacy and effectiveness of the framework of governance, risk management and control. This includes periodic analysis of the maturity of the FCDO's risk management systems and controls. Further independent scrutiny is provided by the National Audit Office, the Independent Commission for Aid Impact, the Infrastructure and Projects Authority and Parliamentary bodies (such as the Foreign Affairs Committee, Public Accounts Committee and International Development Committee).

FCDO's Risk Appetite Statement defines the level and type of risk exposure we will tolerate to achieve our objectives at organisational level. At posts, and within programmes, Heads of Mission and senior responsible owners (SROs) respectively, will be responsible for determining risk appetite, using their professional judgement and drawing on the FCDO Risk Appetite Statement, evidence and the views of relevant Partners Across Government, Directors and Directors-General when appropriate. Heads of Mission escalate risks which are outside appetite to UK Directors, and UK Directors do likewise to Directors General and, if needed, to the Management Board. Risks are escalated to Ministers whenever senior staff consider a risk justifies ministerial attention.

Risk management systems have been in place for the year under review and up to the date of approval of the annual report and accounts, through legacy departments April-August 2020 (p.14-15) and through the FCDO from September 2020 onwards.

### **FCDO Assurance Process on Management of Interests and Business Appointments**

All FCDO staff are required to comply with the Diplomatic Service Regulations and/or the Civil Service Code and the Civil Service

Management Code. The FCDO currently has legacy DFID and FCO policies, processes, and systems in place to comply with Business Appointment rules and to manage Conflicts of Interest including control and compliance. There is a requirement for all staff to declare and obtain approval from their line manager prior to accepting any offer of secondary employment, to ensure that there is no potential conflict of interest and it complies with the Business Appointment Rules.

During the period 1 April 2020 to 31 March 2021, there have been no referrals for advice from DFID, the FCO or the FCDO to the Advisory Committee on Business Appointments (ACOBA) for senior civil servants at Permanent Secretary and Director-General levels. Transparency data for other senior staffing grades for the period 1 April 2020 to 1 September 2020 is published as follows for **DFID** and the **FCO**. Publication of the FCDO transparency data for the period 2 September 2020 to 31 March 2021 is under development.

The FCDO is working to bring together these policies, processes, and systems to ensure control and compliance through FCDO's Corporate Rules, which will ensure that three lines of defence are in place within the organisation through operational management, monitoring of policies and processes and robust audit processes.

The FCDO's Special Advisers, Supervisory Board and Management Board members are required to declare private interests, financial or otherwise, which might present a conflict or be perceived to arise while performing public duty. This Register of Interests is updated regularly with any new interests which must be disclosed by members, following best practice in meeting the requirements set out in:

- paragraph 4.15 of the **Corporate governance in central departments: code of good practice** (April 2017)
- paragraph 4.3 **Code of Conduct for Board Members of Public Bodies** (June 2019)
- paragraph 6.4.3 of the **Government Financial Reporting Manual (FRm)** (December 2020).

Board members are expected to remove themselves from any discussion where there might be a danger of bias or financial interest.

In line with the above, all Special Advisers, Supervisory Board and Management Board members have declared any relevant interests, or confirmed they do not consider they have any relevant interests. The Accounting Officer has considered these returns and the **following relevant interests** are set out in public.

## **Personal Data Losses**

The FCDO recorded 84 personal data incidents in 2020-21. This is similar to the previous year (85 incidents recorded in 2019-20). There was initially an increase of incidents due to the COVID-19 crisis consular repatriation related work, which resulted in a large increase in work involving personal data. Of the 84 incidents that were reported and investigated, 70 were considered personal data breaches under *General Data Protection Regulation* (GDPR), as defined by the Information Commissioner's Office as "a breach of security leading to the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to, personal data". The table below shows the breakdown of personal data breaches under GDPR in 2020-21:

Category	Nature of Incident	1 April 2020 – 31 March 2021
A	Human Error	51
B	Technical Issue	1
C	Sharing Personal Information	–
D	Supplier/Partners Across Government (PAG) Breach	15
E	Deliberate Contravention of Data Protection (DP) Regulation	3

15 incidents were considered serious enough to be reported to the Information Commissioner’s Office. Most of these were linked to the COVID-19 crisis work and steps have been taken to improve staff awareness of these issues, within the crises teams.

We received 120 Subject Access requests (SARs) under the Data Protection Act in 2020-21, as detailed in the table below:

	FCO April 2020 – 1 September 2020	DFID April 2020 – 1 September 2020	FCDO 2 September 2020 – March 2021	Total
Number of SARs	51	6	63	120

These figures do not include incidents involving visa or passport section information, as these are handled and reported on by UK Visas and Immigration and HM Passport Office, respectively.

### Internal Audit Annual Assurance Opinion

The Internal Audit Department is required to comply with “Public Sector Internal Audit Standards: Applying the Institute of Internal Auditors international standards to the public sector”. These require that, at year end, the Head of Internal Audit forms an opinion regarding the adequacy and effectiveness of the FCDO’s frameworks for governance, risk management and control. The opinion is based on the audit work performed in the year, and up to the date of the finalisation of the Annual Assurance

Report to the Audit and Risk Assurance Committee. This includes:

- The results of internal audits completed or in draft
- Any follow-up action taken in respect of audits from previous periods
- The effects of any significant changes in the FCDO’s control environment
- Any matters arising from previous Internal Audit annual assurance reports to either DFID, or the FCO
- The results of consultancy work undertaken during the year
- The consideration of value for money embedded within each review undertaken by Internal Audit
- Formal audit evidence and work

- Evidence gathered through being part of either DFID, the FCO or the FCDO as an in-house audit service.

In the Annual Assurance report 2020-21, the Director of Internal Audit expressed the opinion that “the FCDO had adequate and effective frameworks for Governance, Risk Management and Control.” This opinion covers the period 1 April 2020 to 31 March 2021.

The FCDO has faced a year of unprecedented challenges and its control frameworks and governance have come under sustained and significant pressure; initially as it adapted to the COVID-19 pandemic and then through the Autumn and New Year as it dealt with the merger of the FCO and DFID.

Across the department’s audit and management assurance programme, several cross-cutting risks and issues were identified in 2020-21. Key themes were as follows:

- Transformation and merger
- Risk management
- Resourcing, work-force planning and strategy
- Staff welfare and resilience
- IT risks
- Country-Based Staff management
- Exposure to risk in the ODA portfolio
- Risks arising from COVID-19
- Safeguarding vulnerable people against sexual exploitation, abuse and harassment

The department has faced an increased exposure to risk across all its risk categories and its ability to control and manage these risks has been constrained compared to ‘normal’ years. As a result, the FCDO is outside of its target risk appetite on a

number of its principal risks. The FCDO’s risk profile (page 45) summarises the risks on the FCDO Principal Risk Report, which covers the breadth of the department’s work.

Nonetheless, throughout the year Internal Audit’s work found that the FCDO’s systems have flexed, adapted, and largely held up despite this significant strain. Internal Audit consistently found that management was cognisant of the risks it was dealing with and taking steps to mitigate and manage them as best they could, within the constraints created by the pandemic and merger. To deal with COVID-19, both legacy departments transitioned at pace to fully remote working and when the merger was announced, they put in place an effective governance structure to bring together the departments. This included creating new leadership committees, clarifying high-level decision-making and oversight, and appointing a senior leadership team in a short time. This senior structure has since overseen the development of a robust risk management framework, organisational design work, a strategic political and programmatic recalibration through the Integrated Review and has set out a pathway for full integration of all corporate systems, by 2022.

## Whistleblowing

The FCDO is committed to the highest standards of integrity, probity, and accountability. It seeks to conduct its affairs in a responsible manner taking into account the proper use of public funds, the requirements of relevant legislation and the high standards required in public life. The FCDO has whistleblowing arrangements in place that meet the UK’s legislative framework, as set out in the Public Interest Disclosure Act (PIDA) and allow concerns about breaches of the Civil Service Code,

fraud, safeguarding and other risks to be reported confidentially and outside line management arrangements. A confidential hotline and reporting concerns e-mail account, managed by specialist staff, are promoted through our internal and external websites, as are other routes including the Nominated Officer network and Staff Counsellors. We monitor and maintain the effectiveness of our whistleblowing arrangements through the FCDO's dedicated specialist Internal Audit and Investigations Directorate and Human Resources Directorate. The Audit and Risk Assurance Committee receive reports regularly and monitor the whistleblowing policy, to ensure the appropriate operation and investigation of all matters reported under the policy. In the FCDO, all reports are treated seriously and we act on all concerns.

### **Corporate Governance Code**

The FCDO has sound governance arrangements in place and is compliant with the Corporate Governance in Central Government Departments: Code of Good Practice 2017, with three exceptions. Firstly, the FCDO does not have a Nominations and Governance Committee, but it has a Senior Leadership Board, chaired by the PUS. This carries out a similar role to a Nominations Committee, overseeing the performance, talent, and broader aspects of management of the Senior Civil Service within the FCDO. Ann Cormack is the Non-Executive Director sitting on this Board. Following the merger, the FCDO is putting in place a reward strategy for its Senior Civil Servants, including those who are members of the Diplomatic Service, and those at Board level. Secondly, junior Ministers are not members of the Supervisory Board, but they attend when relevant items are discussed. Lastly, the requirement for the Supervisory Board's regular agenda to

include scrutiny of Arm's Length Bodies is fulfilled through other means, namely via the Management Board's oversight, who will assess compliance with the code in Financial Year 2021/22.

### **Independent Commission for Aid Impact and National Audit Office Audit Reports**

The Accounting Officer also takes account of findings from the work of the Independent Commission for Aid Impact, an Arm's Length Body which is detailed below, and the National Audit Office.

During the year, ICAI examined and reported on a broad range of topics across ODA spending departments, including the UK's support to the African Development Bank Group, assessing legacy DFID's results in nutrition, the UK's approach to tackling modern slavery through the aid programme, the UK's work with Gavi the vaccine alliance, sexual exploitation and abuse by international peacekeepers, management of the 0.7% ODA spending target and UK aid spending during COVID-19: management of procurement through suppliers. The FCDO publishes its responses to ICAI reports and gives evidence on them to the House of Commons International Development Select Committee.

In April 2020, the NAO published a review of legacy DFID's support to women and girls. The review assessed whether legacy DFID took a robust approach to developing its 2018-2030 Strategic Vision for Gender Equality; how DFID translated its Strategic Vision into practical action; and whether DFID knew what progress it is making against the aims of the 2018 Strategic Vision. The report acknowledged that legacy DFID was recognised as a global leader on gender equality. Legacy DFID welcomed and accepted the NAO's recommendations

which built on existing steps to deliver improvements. Since the merger, the FCDO has publicly committed to retaining and building on the Strategic Vision for Gender Equality, taking full advantage of our diplomatic and development levers. The FCDO is developing a new Programme Operating Framework. This will include a new rule that all programmes and policies will consider the impact of their interventions on gender equality, disability inclusion and other excluded groups. This will build on our legal commitment to consider gender equality in all UK development assistance, under the International Development (Gender Equality) Act 2014.

All NAO reports are published on its website.

### **Arm's Length Bodies**

The Permanent Under-Secretary is the FCDO's Accounting Officer and responsible for:

- One executive agency: **Wilton Park**
- Four executive Non-Departmental public bodies (NDPB): **the Commonwealth Scholarship Commission; Westminster Foundation for Democracy; Great Britain-China Centre; and the Marshall Aid Commemoration Commission**
- Two advisory NDPBs: **Independent Commission for Aid Impact; and the UK India Round Table**

In addition, the FCDO sponsors the **British Council** (a public corporation, NDPB and Charity) and **FCDO Services** (which is a trading fund and an executive agency). Both bodies are outside the FCDO accounting boundary. The FCDO is also a 100% shareholder in a public limited company (**CDC Group plc**). The FCDO operates an arm's-length relationship for its shareholding, meaning that day-to-day operations and investment decisions are independent of government. The FCDO's relationship with each NDPB is agreed and set out in a published Framework Agreement. This includes sections on funding levels, jointly agreed priorities, performance measures, engagement, financial controls and the governance framework. Information on each of the FCDO's Arm's Length Bodies is outlined below.

Further summary information is provided in Note 6, Note 17 and at Annex D outlining core income and expenditure for each entity alongside staffing numbers.<sup>21</sup>

---

<sup>21</sup> Note 17 includes further information of FCDO's associated entities within and outside of the accounting entities. The British Council, the UK India Advisory Council, FCDO Services and British Inter-government Services Authority are not consolidated for the purpose of the Annual Accounts. The UK China Forum is a subsidiary of the Great Britain-China Centre (GBCC) and is consolidated as part of GBCC group.

<b>ALB</b>	<b>Description</b>
<b>British Council</b>	The British Council is the UK's international organisation for cultural relations and educational opportunities. It is a charity governed by Royal Charter, a public corporation and a non-departmental public body sponsored by the FCDO. The FCDO provides the British Council with Grant-in-Aid (GiA) in regular amounts not related to a specific contract. In 2020-21 the Council received £149 million GiA, of which £135 million was ODA. The Council publishes its own Annual Report and Accounts.
<b>FCDO Services</b>	FCDO Services is an agency of FCDO as well as a Trading Fund. As a Trading Fund, FCDOS provides a range of integrated secure services worldwide to the FCDO, other UK public bodies and foreign governments and international organisations closely linked to the UK. FCDOS generates its own income to fund its activities. The FCDO holds an investment in FCDOS, comprised of 100% of its Public Dividend Capital of £4,981,000. The Annual Report and Accounts can be found at <a href="http://www.fcdoservices.gov.uk">www.fcdoservices.gov.uk</a> .
<b>Wilton Park</b>	Wilton Park brings fresh thinking to the development of international policy, advancing practical solutions to critical global issues. As an Executive Agency of the FCDO, it is administratively distinct from but legally part of the department. In 2020-21 it adapted its core product from residential to virtual events, so as to keep operating through the pandemic. In 2020-21 total operating expenditure was £6,580K and total operating income was £2,683K. FCDO provided funding of £3,425K to cover lost income as a result of the impact of COVID-19. Wilton Park produces its own Annual Report and Accounts document, and its Accounts are consolidated with the FCDO's.
<b>Great Britain – China Centre (GBCC)</b>	The Great Britain China Centre works to advance the UK's interests with China through political dialogues, legal exchanges and capability building. The GBCC's strategy focuses on three key areas of engagement, which are convening bilateral dialogues; strengthening the UK's China knowledge and capabilities; and delivering projects which support legal and judicial reform in China. The GBCC receives £500,000 grant-in-aid per annum from the FCDO.
<b>Marshall Aid Commemoration Commission (MACC)</b>	The Marshall Aid Commemoration Commission was established under the 1953 Marshall Aid Commemoration Commission Act as an Executive NDPB. The Commission awards up to 50 postgraduate scholarships to exceptional American scholars for post-graduate study at leading UK universities. The FCDO provided MACC with Grant-in-Aid of £2.7 million in 2020-21. In 2020-21, the Scholarships Unit represents the FCDO at MACC board meetings. The Foreign Secretary signs off the MACC annual report, and appointments to the MACC Board, including the Chair. The Annual Report and Accounts can be found at <a href="http://www.marshallscholarship.org">www.marshallscholarship.org</a> .

<b>ALB</b>	<b>Description</b>
<b>Independent Commission for Aid Impact (ICAI)</b>	The Independent Commission for Aid Impact scrutinises UK aid spending. ICAI operates independently of government and reports to Parliament through the House of Commons <b>International Development Committee</b> or their <b>ICAI Sub-Committee</b> . ICAI's formal remit is to provide independent evaluation and scrutiny of the impact and value for money of all UK government ODA. This involves carrying out a small number of evidence based thematic reviews on strategic issues faced by the UK government's aid spending, informing and supporting Parliament in its role of holding the UK government to account and ensuring ICAI's work is made available to the public. ICAI's mandate covers all ODA, whichever department it is spent by. The expenditure by ICAI in 2020-21 was £3.2 million.
<b>Westminster Foundation for Democracy (WFD)</b>	WFD supports democratic practices in developing democracies. WFD is supported by both Grant-in-Aid and via the Inclusive and Accountable Politics (IAP) programme from the FCDO. GiA expenditure in 2020-21 was £3.2 million. IAP expenditure in 2020-21 was £3.2 million. The relationship between the WFD and the FCDO is governed by a Framework Document. The Foreign Secretary is accountable to Parliament for the activities of WFD and has responsibility for approving their strategic objectives, the appointment of the CEO, the Board, and laying of the WFD accounts before Parliament. Democratic Governance and Media Freedom Department is the sponsoring team in the FCDO and is the principal source of advice to the Foreign Secretary and the PUS on these matters. Officials report regularly to Ministers on WFD-related issues, in particular on funding, corporate planning and review-related issues. The Annual Report and Accounts can be found at <a href="http://www.wfd.org">www.wfd.org</a> .
<b>Commonwealth Scholarship Commission (CSC)</b>	The Commonwealth Scholarship Commission in the UK awards scholarships and fellowships to Commonwealth citizens for postgraduate study and professional development. The CSC was established by an Act of Parliament in 1959 to manage the UK contribution to the Commonwealth Scholarship and Fellowship Plan (CSFP). Its status was subsequently reaffirmed in the International Development Act 2002. CSC is an executive non-departmental public body. The FCDO is the lead department and main sponsor. The FCDO provided the CSC with grant-in-aid in 2020-21 of £25.4 million. The CSC's Annual Report can be found at <a href="https://www.gov.uk/government/publications/csc-annual-report-2020">https://www.gov.uk/government/publications/csc-annual-report-2020</a> .

## Closing Statement

I am satisfied with the FCDO's governance arrangements in terms of safeguarding the use of taxpayers' money. The effectiveness of the department's corporate governance is continuing to improve, flexing and responding to the changing environment for the department. The work delivered in 2020-21 and the priority placed on governance controls across all areas of the department has assured me that the FCDO's overall performance, governance

framework, risk management and internal controls are satisfactory. There were no ministerial directions during the reporting period 2020-21.

### **Sir Philip Barton KCMG OBE**

Accounting Officer for the Foreign, Commonwealth and Development Office

17 September 2021

# 2.2

## Remuneration and Staff Report

### Remuneration Report

#### Service Contracts

The Constitutional Reform and Governance Act 2010 requires Civil Service and Diplomatic Service appointments to be made on merit, on the basis of fair and open competition. The Recruitment Principles published by the Civil Service Commission specify the circumstances when appointments may be made otherwise.

Unless otherwise stated below, the officials covered by this report hold appointments which are open-ended. Early termination, other than for misconduct, would result in the individual receiving compensation as set out in the Civil Service Compensation Scheme.

Further information about the work of the Civil Service Commission can be found at [www.civilservicecommission.org.uk](http://www.civilservicecommission.org.uk)

#### Remuneration Policy

The pay of Senior Civil Servants (SCS) is set by the Prime Minister following independent advice from the Review Body on Senior Salaries. From time to time, the Review Body advises the Prime Minister on the pay, pensions and allowances of ministers and others whose pay is determined by the Ministerial and Other Salaries Act 1975.

In making its recommendations, the Review Body considers:

- The need to recruit, retain and motivate suitably able and qualified people to exercise their different responsibilities
- Regional and local variations in labour markets and their effects on the recruitment and retention of staff
- Government policies for improving public services, including the requirement on departments to meet the output targets for the delivery of departmental services
- The funds available to departments, as set out in the government's departmental expenditure limits
- The government's inflation target, wider economic considerations, and the affordability of its recommendations.

For the Permanent Under-Secretary, remuneration is set by the Prime Minister on the recommendation of the Permanent Secretaries' Remuneration Committee. The remuneration of other board members has been determined by the relevant legacy remuneration governance arrangements.

## Remuneration (including salary) and Pension Entitlements

The following sections provide details of the remuneration and pension interests of the Ministers and most senior management (i.e. Management Board members) of the department. This year's 2020-21 remuneration figures are a total of pre-FCDO remuneration added to the remuneration received as FCDO.

### Remuneration for Ministers

Ministers <sup>22</sup>	Salary (£)		Benefits in Kind (to nearest £000)		Pension benefits (to nearest £1,000) <sup>23</sup>		Total (to nearest £1,000)	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
Rt Hon. Dominic Raab <i>Secretary of State</i>	67,505	46,455 <sup>24</sup>	–	–	–	25–	68,000	46,000
The Rt Hon. Lord Goldsmith <sup>26</sup> <i>Minister of State</i>	–	–	–	–	–	–	–	–
The Rt Hon. James Cleverly <i>Minister of State</i>	31,680	4,096 <sup>27</sup>	–	–	8,000	1,000	40,000	5,000
Nigel Adams <i>Minister of State</i>	31,680	2,640 <sup>28</sup>	–	–	8,000	1,000	40,000	4,000
Lord Ahmad of Wimbledon <i>Minister of State</i>	85,424	85,424 <sup>29</sup>	–	–	20,000	21,000	105,000	106,000

<sup>22</sup> These disclosures are subject to audit

<sup>23</sup> The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20 plus the real increase in any lump sum less the contributions made by the individual. The real increases exclude increases due to inflation or any increase or decreases due to a transfer of pension rights.

<sup>24</sup> Rt Hon Dominic Raab MP full year equivalent salary was £67,505 in 2019-20

<sup>25</sup> Rt Hon Dominic Raab MP has opted out of the pension scheme

<sup>26</sup> Lord Goldsmith is a joint Minister with the Department for Environment, Food and Rural Affairs (Defra) and the FCDO, he was paid by Defra and was unpaid for the FCDO.

<sup>27</sup> Rt Hon James Cleverly MP full time equivalent salary was £31,680 in 2019-20

<sup>28</sup> Nigel Adams MP full time equivalent salary was £31,680 in 2019-20. Ministers who have transferred from another department are paid with effect from first day of the month following their date of appointment. The previous department will continue to pay their former Minister up to the end of the previous month. The FCO began to pay Nigel Adams MP from 1 March 2020.

<sup>29</sup> Incorrectly stated salary for year 2019-20, as £85,423, salary should be restated as £85,424

Ministers <sup>22</sup>	Salary (£)		Benefits in Kind (to nearest £000)		Pension benefits (to nearest £1,000) <sup>23</sup>		Total (to nearest £1,000)	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
Wendy Morton <i>Parliamentary Under Secretary of State</i>	22,375	1,864 <sup>30</sup>	–	–	5,000	1,000	27,000	3,000
James Duddridge <i>Parliamentary Under Secretary of State</i>	22,375	2,893 <sup>31</sup>	–	–	5,000	1,000	27,000	4,000
Rt Hon. Anne-Marie Trevelyan <i>Secretary of State for DFID (to 02/09/2020)</i>	45,259 <sup>32</sup>	7,267	–	–	7,000	2,000	52,000	10,000
Baroness Sugg <i>Parliamentary Under Secretary of State (to 25/11/2020)</i>	64,210 <sup>33</sup>	47,371	–	–	12,000	12,000	76,000	59,000

<sup>30</sup> Wendy Morton MP full time equivalent salary was £22,375 in 2019-20. Ministers who have transferred from another department are paid with effect from first day of the month following their date of appointment. The previous department will continue to pay their former Minister up to the end of the previous month. The FCO began to pay Wendy Morton MP from 1 March 2020.

<sup>31</sup> James Duddridge MP full time equivalent salary was £22,375 in 2019-20

<sup>32</sup> Rt Hon Anne-Marie Trevelyan full year equivalent salary is £67,505, including a severance payment of £16,876.

<sup>33</sup> Baroness Sugg full year equivalent salary was £70,969. Baroness Sugg was joint Parliamentary Under Secretary of State for DFID and FCO from 14 February 2020, paid by DFID, and was then Parliamentary, Under Secretary of State for FCDO from 2 September 2020 to 25 November 2020. Salary figure includes a severance payment of £17,742.

**Compensation for Loss of Office (Subject to audit)**

**Anne Marie Trevelyan** left under severance terms on 1 September 2020. She received a compensation payment of £16,876.

**Baroness Sugg** left under severance terms on 25 November 2020. She received a compensation payment of £17,742.

**Remuneration for Senior Managers**

Officials	Salary (£000)		Benefit in Kind (to the nearest £000)		Bonus Payments (£000)		Pension benefits (£000 to nearest £1,000) <sup>34</sup>		Total (£000)	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
Sir Philip Barton <sup>35</sup> <i>Permanent Under-Secretary (from 02/09/2020)</i>	105–110 <sup>36</sup>	115–120 <sup>37</sup>	–	–	5–10	5–10	338	-15	445–460	110–115
Juliet Chua <i>Director General-Finance and Corporate</i>	120–125	115–120	–	–	10–15	–	52	56	185–190	175–180
Mervyn Thomas <i>Chief People Officer (from 01/02/2021)</i>	20–25 <sup>38</sup>	–	–	–	–	–	4	–	20–25	–
Melinda Bohannon <i>Director, Strategy</i> <sup>39</sup>	105–110 <sup>40</sup>	105–110	–	–	5–10	–	43	95	155–160	200–205
Andrew Sanderson <i>Financial Controller and Operations Director</i> <sup>41</sup>	110–115	105–110	–	–	5–10	5–10	47	40	160–165	150–155

<sup>34</sup> The value of pension benefits accrued during the year is calculated as the real increase in pension multiplied by 20 plus the real increase in any lump sum less the contributions made by the individual. The real increases exclude increases due to inflation or any increase or decreases due to a transfer of pension rights. We are unable to check some of the calculation input figures as MyCSP have software with actuarial values etc built in to calculate these. These input figures (not checked by the FCDO) are Pension Benefits.

<sup>35</sup> Philip Barton was the DG for Consular and Security Affairs between April 2019 and February 2020 and PUS from 2 September 2020.

<sup>36</sup> Philip Barton full year equivalent salary was £180k-185k in 2020-21

<sup>37</sup> Philip Barton full year equivalent salary was £135k-140k in 2019-20

<sup>38</sup> Mervyn Thomas full year equivalent salary was £135k-140k in 2020-21

<sup>39</sup> Melinda Bohannon pre-merger role was Director

<sup>40</sup> Melinda Bohannon total includes Additional Responsibility Allowance

<sup>41</sup> Andrew Sanderson pre-merger role was Finance Director

Officials	Salary (£000)		Benefit in Kind (to the nearest £000)		Bonus Payments (£000)		Pension benefits (£000 to nearest £1,000) <sup>34</sup>		Total (£000)	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
Tim Jones <sup>42</sup> <i>Director, Strategic Finance</i> <sup>43</sup>	100–105 <sup>44</sup>	80–85	–	–	–	–	37	30	140–145	110–115
Moazzam Malik, <sup>45</sup> <i>Director General-Africa</i>	120–125	55–60	–	–	–	–	113	57	230–235	110–115
Sir Tim Barrow, <i>Director-General Political (from 02/09/2020)</i>	95–100 <sup>46</sup>	–	–	–	5–10	–	30	–	130–135	–
Jenny Bates, <i>Director General Indo-Pacific</i> <sup>47</sup>	135–140	10–15 <sup>48</sup>	–	–	–	–	107	6	240–245	15–20
Nic Hailey, <i>Director-General Transformation (from 16/06/2020)</i>	95–100 <sup>49</sup>	–	–	–	5–10	–	140	–	240–245	–
Thomas Drew, <i>Director-General Middle East North Africa, Afghanistan and Pakistan</i> <sup>50</sup>	140–145	20–25 <sup>51</sup>	–	–	5–10	–	47	8	190–195	30–35
Kumar Iyer, <i>Director-General Delivery</i>	115–120	80–85 <sup>52</sup>	–	–	–	–	46	32	160–165	115–120

<sup>42</sup> Tim Jones full year equivalent salary was £100k-105k in 2019-20. This total includes an Additional Responsibility Allowance

<sup>43</sup> Tim Jones pre-merger role was Director of Finance, Commercial and Delivery (for DFID)

<sup>44</sup> Tim Jones total includes Additional Responsibility Allowance

<sup>45</sup> Moazzam Malik joined DFID on 17 October 2019. His full year equivalent salary for 2019-20 was £115k-120k

<sup>46</sup> Sir Tim Barrow full year equivalent salary was £160k-165k in 2020-21

<sup>47</sup> Jenny Bates pre-merger FCO role was Director-General Europe

<sup>48</sup> Jenny Bates full year equivalent salary was £130k-135k in 2019-20

<sup>49</sup> Nic Hailey full year equivalent salary was £125k-130k in 2020-21

<sup>50</sup> Thomas Drew pre-merger FCO role was Director-General Consular & Security

<sup>51</sup> Thomas Drew full year equivalent salary was £135k-140k in 2019-20

<sup>52</sup> Kumar Iyer full year equivalent salary was £110k-115k in 2019-20

Officials	Salary (£000)		Benefit in Kind (to the nearest £000)		Bonus Payments (£000)		Pension benefits (£000 to nearest £1,000) <sup>34</sup>		Total (£000)	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
Sir Iain MacLeod, <i>Director-General Legal</i>	140–145	140–145	–	–	5–10	5–10	35	21	185–190	165–170
Vijay Rangarajan, <i>Director-General Americas and Overseas Territories (from 02/09/2020)</i>	70–75 <sup>53</sup>	–	–	–	5–10	–	42	–	120–125	–
Helen Bower- Easton, <i>Director Communication</i>	115–120	110–115	–	–	5–10	5–10	28	43	150–155	160–165
Melanie Robinson, <i>UK Ambassador to Zimbabwe – Overseas Network Representative (from 02/09/2020)</i>	55–60 <sup>54</sup>	–	–	–	5–10	–	21	–	80–85	–
Simon Manley, <i>Director-General COVID-19 (to 01/09/2020)</i>	55–60 <sup>55</sup>	–	–	–	5–10	–	30	–	85–90	–
Lord (Simon) McDonald <i>Permanent Under-Secretary (to 01/09/2020)</i>	225–230 <sup>56</sup>	195–200	–	–	–	–	13	55	235–240	250–255

<sup>53</sup> Vijay Rangarajan full year equivalent salary was £125k-130k in 2020-21

<sup>54</sup> Melanie Robinson full year equivalent salary was £95k-100k in 2020-21

<sup>55</sup> Simon Manley full year equivalent salary was £120k-125k in 2020-21

<sup>56</sup> Lord (Simon) McDonald full year equivalent salary was £195k-200k in 2020-21. Salary figure includes a payment for compensation in lieu of notice £140k-145k

Officials	Salary (£000)		Benefit in Kind (to the nearest £000)		Bonus Payments (£000)		Pension benefits (£000 to nearest £1,000) <sup>34</sup>		Total (£000)	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
Jonathan Sinclair, <i>Human Resources Director (joint)</i> (to 26/02/2021)	100–105 <sup>57</sup>	105–110	–	–	5–10	5–10	44	36	145–150	145–150
Liane Saunders, <i>Director Strategy (joint)</i> (to 12/01/2021)	85–90 <sup>58</sup>	105–110	–	–	5–10	5–10	38	–40	125–130	70–75
Menna Rawlings, <i>Director-General Economic and Global Issues</i> (to 01/09/2020)	60–65 <sup>59</sup>	135–40	–	–	5–10	5–10	31	192	90–95	330–335
Richard Moore, <i>Director-General Political</i> (to 01/09/2020)	55–60 <sup>60</sup>	135–40	–	–	5–10	5–10	22	52	75–80	195–200
Peter Jones, <i>Chief Operating Officer</i> (to 01/09/2020)	55–60 <sup>61</sup>	135–140	–	–	5–10	5–10	34	11	90–95	150–155
Jill Morris, <i>Overseas Network Representative</i> (to 01/09/2020)	40–45 <sup>62</sup>	100–105	–	–	5–10	5–10	23	49	65–70	155–160
Nick Dyer, <i>Acting Permanent Secretary DFID</i> (to 01/09/2020)	65–70 <sup>63</sup>	120–125	–	–	10–15	5–10	28	90	100–105	220–225

<sup>57</sup> Jonathan Sinclair full year equivalent salary was £105k-110k in 2020-21

<sup>58</sup> Liane Saunders full year equivalent salary was £105k-110k in 2020-21

<sup>59</sup> Menna Rawlings full year equivalent salary was £135k-140k in 2020-21

<sup>60</sup> Richard Moore full year equivalent salary was £135k-140k in 2020-21

<sup>61</sup> Peter Jones full year equivalent salary was £135k-140k in 2020-21

<sup>62</sup> Jill Morris full year equivalent salary was £95k-100k in 2020-21

<sup>63</sup> Nick Dyer full year equivalent salary £160k-165k. This total includes an Acting Allowance

Officials	Salary (£000)		Benefit in Kind (to the nearest £000)		Bonus Payments (£000)		Pension benefits (£000 to nearest £1,000) <sup>34</sup>		Total (£000)	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
Richard Clarke, <i>Director General</i> (to 01/09/2020)	50–55 <sup>64</sup>	115–120	–	–	–	–	30	77	80–85	190–195
Helen Mills, <i>Human Resources Director</i> (joint) (from 01/05/2020 to 31/12/2020)	70–75 <sup>65</sup>	80–85 <sup>66</sup>	–	–	10–15 <sup>67</sup>	0–5	26	41	105–110	175–180
Rachel Turner, <i>Acting Director General</i> (to 01/09/2020)	45–50 <sup>68</sup>	0–5	–	–	5–10	–	-2	-2 <sup>69</sup>	50–55	0–5
Ravi Chand, <i>Chief People Officer</i> (to 30/04/2020)	5–10 <sup>70</sup>	105–110	–	–	–	–	2	50	10–15	155–160

<sup>64</sup> Richard Clarke full year equivalent salary £120k-125k

<sup>65</sup> Helen Mills full year equivalent salary £105k-110k

<sup>66</sup> Helen Mills figures for 2019-20 is for time on Board of Department for Exiting the European Union 1 April 2019 to 31 January 2020

<sup>67</sup> Helen Mills bonus for 2019-20 and 2020-21 relates to previous role in Department for Exiting the European Union

<sup>68</sup> Rachel Turner full year equivalent salary £115k-120k. This total includes an Acting Allowance

<sup>69</sup> Rachel Turner figure for year 2019-20 was incorrectly stated as 2 and should have been -2

<sup>70</sup> Ravi Chand full year equivalent salary £105k-110k

## Fees paid to Non-Executive Board and Committee Members

During 2020-21, the following fees and taxable expenses were paid to Non-Executive Directors of the Board<sup>71</sup>:

<b>Non-Executive Directors of the Board</b>	<b>Fees and taxable expenses paid</b>
Marc Bolland <i>Lead Non-Executive Director DFID</i> (to 31 August 2020)	2020-21: £5,000-£10,000 (2019-20: £15,000-£20,000) (FTE £15,000-£20,000)
Alan Johnson <i>Non-Executive Director</i> <i>Chair DFID Audit and Risk Assurance Committee</i> (to 1 September 2020)	2020-21: £5,000-£10,000 (2019-20: £15,000-£20,000) (FTE £15,000-£20,000)
Sally Jones-Evans <i>Non-Executive Director DFID</i> (to 1 September 2020)	2020-21: £5,000-£10,000 (2019-20: £10,000-£15,000) (FTE £10,000-£15,000)
Anthony Dunnett <sup>72</sup> <i>Non-Executive Member</i> <i>FCDO Audit and Risk Assurance Committee</i>	2020-21: £0-£5,000 (2019-20: £0-£5,000) (FTE £0-£5,000)
Fiona Thompson <sup>73</sup> <i>Non-Executive Member</i> <i>FCDO Audit and Risk Assurance Committee</i>	2020-21: £0-£5,000 (2019-20: £0-£5,000) (FTE £0-£5,000)
Miranda Curtis <i>Lead Non-Executive Director FCO</i> (to 30 June 2020)	2020-21: £0-£5,000 (2019-20: £15,000-£20,000) <sup>74</sup> (FTE £15,000-£20,000)
Warren Tucker <i>Non-Executive Director FCO</i> (to 1 September 2020)	2020-21: £5,000-£10,000 (2019-20: £15,000-£20,000) <sup>74</sup> (FTE £15,000-£20,000)
Gaenor Bagley <i>Non-Executive Director FCO</i> (to 1 September 2020)	2020-21: £5,000-£10,000 (2019-20: £10,000-£15,000) <sup>74</sup> (FTE £10,000-£15,000)
Helen Pernelet <sup>75</sup> <i>Non-Executive Member</i> <i>FCDO Audit and Risk Assurance Committee</i>	2020-21: £5,000-£10,000 (2019-20: £0-£5,000) (FTE £5,000-£10,000)
Julia Grant <sup>76</sup> <i>Non-Executive Member Investment Committee</i> <i>DFID</i>	2020-21: £0-£5,000 (2019-20: £0-£5,000) (FTE £0-£5,000)

<sup>71</sup> These disclosures are subject to audit

<sup>72</sup> Anthony Dunnett Non-Executive Member of DFID's Audit and Risk Assurance Committee and transferred to the FCDO in September 2020

<sup>73</sup> Fiona Thompson Non-Executive Member of DFID's Audit and Risk Assurance Committee and transferred to the FCDO in September 2020

<sup>74</sup> 2019-20 FTE bandings restated to align to FCDO methodology

<sup>75</sup> Helen Pernelet Non-Executive Member of FCO's Audit and Risk Assurance Committee and transferred to the FCDO in September 2020

<sup>76</sup> Julia Grant Non-Executive Member of DFID's Investment Committee and transferred to the FCDO in September 2020

<b>Non-Executive Directors of the Board</b>	<b>Fees and taxable expenses paid</b>
Anne Tutt <i>Non-Executive Member Audit and Risk Committee (to 1 September 2020)</i>	2020-21: £0-£5,000 (2019-20: £0-£5,000) (FTE: £0-£5,000)
Jonathon Simcock <i>Non-Executive Member Investment Committee DFID (to 31 July 2020)</i>	2020-21: £0-£5,000 (2019-20: £0-£5,000) (FTE £0-£5,000)
Simon O'Regan <sup>77</sup> <i>Non-Executive Member FCDO Audit and Risk Assurance Committee</i>	2020-21: £5,000-£10,000 (2019-20: £5,000-£10,000) (FTE £5,000-£10,000)
Baroness Helena Morrissey <sup>78</sup> <i>Lead Non-Executive Director FCDO (from 27 July 2020)</i>	2020-21: £10,000-£15,000 (2019-20: £nil) (FTE £15,000-£20,000)
John Coffey <i>Non-Executive Director Chair FCDO Audit and Risk Assurance Committee (from 21 September 2020)</i>	2020-21: £5,000-£10,000 (2019-20: £nil) (FTE £10,000-£15,000)
Ann Cormack <i>Non-Executive Director FCDO (from 2 October 2020)</i>	2020-21: £5,000-£10,000 (2019-20: £nil) (FTE £10,000-£15,000)
Beverley Tew <i>Non-Executive Director FCDO (from 1 October 2020)</i>	2020-21: £5,000-£10,000 (2019-20: £nil) (FTE £10,000-£15,000)

## Salary

'Salary' includes gross salary; overtime; reserved rights to London weighting or London allowances; recruitment and retention allowances; private office allowances and any other allowance to the extent that it is subject to UK taxation.

This report is based on accrued payments made by the department and thus recorded in these accounts. In respect of Ministers in the House of Commons, departments bear only the cost of the additional ministerial remuneration; the salary for their services as an MP (£81,932 from 1 April 2020) and

various allowances to which they are entitled are borne centrally. However, the arrangement for Ministers in the House of Lords is different in that they do not receive a salary but rather an additional remuneration, which cannot be quantified separately from their ministerial salaries. This total remuneration, as well as the allowances to which they are entitled, is paid by the department and is therefore shown in full in the figures above.

<sup>77</sup> Simon O' Regan Non-Executive Member of FCO's Audit and Risk Assurance Committee and transferred to the FCDO in September 2020

<sup>78</sup> Baroness Helena Morrissey appointed Lead Non-Executive Director at the FCO on 27 July 2020 and transferred to the FCDO in September 2020

## Benefits in Kind

The monetary value of benefits in kind covers any benefits provided by the department and treated by HM Revenue and Customs as a taxable emolument. No benefits in kind have been received in the current and prior year for FCDO, legacy DFID or legacy FCO.

## Bonuses

Bonuses are based on performance levels attained and are made as part of the appraisal process. The bonuses reported in 2020-21 relate to performance in 2019-20 and the comparative bonuses reported for 2019-20 relate to performance in 2018-19.

## Pension Benefits

Ministers <sup>79 80</sup>	Accrued pension at age 65 as at 31/3/21 £000	Real increase in pension at age 65 £000	CETV at 31/3/21 or end date whichever is earlier £000	CETV at 31/3/20 or Start date whichever is earlier £000 <sup>81</sup>	Real increase in CETV £000
Rt Hon. Dominic Raab <i>Secretary of State</i>	–	–	–	–	–
The Rt Hon. Lord Goldsmith <i>Minister of State</i>	–	–	–	–	–
The Rt Hon. James Cleverly <i>Minister of State</i>	0–5	0–2.5	10	3	4
Nigel Adams <i>Minister of State</i>	0–5	0–2.5	15	7	4
Lord Ahmad of Wimbledon <i>Minister of State</i>	10–15	0–2.5	165	142	10
Wendy Morton <i>Parliamentary Under Secretary of State</i>	0–5	0–2.5	14	8	3

<sup>79</sup> These disclosures are subject to audit.

<sup>80</sup> Whilst we are able to check the calculations, we are unable to check some of the calculation input figures as MyCSP have software with actuarial values etc built in to calculate these. These input figures (not checked by the FCDO) are Accrued Final Salary Pension, Accrued CSOPS pension, CETV values, real increase in pension and real increase in lump sum.

<sup>81</sup> Remuneration reports show the CETVs of senior staff at the start and end of the reporting year, together with the real increase during that period. The real increase is the increase due to additional benefit accrual (i.e. as a result of salary changes and service) that is funded by the employer. It will be smaller than the difference between the start and end CETVs because it does not include any increase in the value of the pension due to inflation or due to the contributions paid by the employee or the value of any benefits transferred from another pension scheme. Nor does it include any increases (or decreases) because of any changes during the year in the actuarial factors used to calculate CETVs.

<b>Ministers<sup>79 80</sup></b>	<b>Accrued pension at age 65 as at 31/3/21 £000</b>	<b>Real increase in pension at age 65 £000</b>	<b>CETV at 31/3/21 or end date whichever is earlier £000</b>	<b>CETV at 31/3/20 or Start date whichever is earlier £000<sup>81</sup></b>	<b>Real increase in CETV £000</b>
James Duddridge <i>Parliamentary Under Secretary of State</i>	0–5	0–2.5	8	3	3
Rt Hon. Anne-Marie Trevelyan <i>Secretary of State (to 02/09/2020)</i>	0–5	0–2.5	12	5	3
Baroness Sugg <i>Parliamentary Under Secretary of State (to 25/11/2020)</i>	0–5	0–2.5	47	37	4

## Ministerial Pensions

Pension benefits for Ministers are provided by the Parliamentary Contributory Pension Fund (PCPF). The scheme is made under statute and the rules are set out in the Ministers' etc. Pension Scheme 2015, available at <http://qna.files.parliament.uk/ws-attachments/170890/original/PCPF%20MINISTERIAL%20SCHEME%20FINAL%20RULES.doc>.

Those Ministers who are Members of Parliament may also accrue an MP's pension under the PCPF (details of which are not included in this report). A new MP's pension scheme was introduced from May 2015, although members who were MPs and aged 55 or older on 1 April 2013 have transitional protection to remain in the previous MP's final salary pension scheme.

Benefits for Ministers are payable from State Pension age under the 2015 scheme. Pensions are revalued annually in line with Pensions Increase legislation both before and after retirement. The contribution rate from May 2015 is 11.1% and the accrual rate is 1.775% of pensionable earnings.

The figure shown for pension value includes the total pension payable to the member under both the pre- and post-2015 ministerial pension schemes.

### **Cash Equivalent Transfer Value (CETV)**

This is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement, when the member leaves a scheme and chooses to transfer the pension benefits, they have accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total ministerial service, not just their current appointment as a Minister. CETVs are calculated in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and

do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax, which may be due when pension benefits are taken.

### ***Real increase in the value of CETV***

This is the element of the increase in accrued pension funded by the Exchequer. It excludes increases due to inflation and contributions paid by the Minister. It is worked out using common market valuation factors for the start and end of the period.

### ***Senior Officials' pensions***

<b>Officials<sup>82 83 84</sup></b>	<b>Accrued pension at pension age as at 31/3/21 and related lump sum £000</b>	<b>Real increase in pension and related lump sum at pension age £000</b>	<b>CETV at 31/3/21<sup>85</sup> £000</b>	<b>CETV at 31/3/20 £000</b>	<b>Real increase in CETV £000</b>	<b>Employer contribution to partnership pension account £000</b>
Sir Philip Barton <i>Permanent Secretary (from 02/09/2020)</i>	75 – 80 plus a lump sum of 210 – 215	15 – 17.5 plus a lump sum of 37.5 – 40	1,690	1,357 <sup>86</sup>	321	–
Juliet Chua <i>Director General- Finance and Corporate</i>	30 – 35 plus a lump sum of 40 –45	2.5 –5 plus a lump sum of 0 – 2.5	433	387	26	–
Mervyn Thomas <i>Chief People Officer (from 1/02/2021)</i>	–	–	–	–	–	4

<sup>82</sup> These disclosures are subject to audit.

<sup>83</sup> Whilst we are able to check the calculations, we are unable to check some of the calculation input figures as MyCSP have software with actuarial values etc built in to calculate these. These input figures (not checked by the FCDO) are Accrued Final Salary Pension, Accrued CSOPS pension, CETV values, real increase in pension and real increase in lump sum.

<sup>84</sup> Figures presented in the remuneration report do not reflect the impact of taxation on the individual for example from Annual Allowance and Lifetime Allowance ceilings.

<sup>85</sup> Remuneration reports show the CETVs of senior staff at the start and end of the reporting year, together with the real increase during that period. The real increase is the increase due to additional benefit accrual (i.e. as a result of salary changes and service) that is funded by the employer. It will be smaller than the difference between the start and end CETVs because it does not include any increase in the value of the pension due to inflation or due to the contributions paid by the employee or the value of any benefits transferred from another pension scheme. Nor does it include any increases (or decreases) because of any changes during the year in the actuarial factors used to calculate CETVs

<sup>86</sup> Due to non-continuous service on the board, the 31/03/2020 (opening balance) CETV figures in the Financial Year 2020-21 report are not expected to match the 31/03/2020 (closing balance) CETV figures listed in the Financial Year 2019-20 report.

<b>Officials<sup>82 83 84</sup></b>	<b>Accrued pension at pension age as at 31/3/21 and related lump sum £000</b>	<b>Real increase in pension and related lump sum at pension age £000</b>	<b>CETV at 31/3/21<sup>85</sup> £000</b>	<b>CETV at 31/3/20 £000</b>	<b>Real increase in CETV £000</b>	<b>Employer contribution to partnership pension account £000</b>
Melinda Bohannon <i>Director, Strategy</i>	30–35 plus a lump sum of 55–60	0 – 2.5 plus a lump sum of 0 – 2.5	453	412	21	–
Andrew Sanderson <i>Financial Controller and Operations Director</i>	35 – 40 plus a lump sum of 65 – 70	2.5 – 5 plus a lump sum of 0 – 2.5	551	504	25	–
Tim Jones <i>Director Strategic Finance</i>	20 – 25	0 – 2.5	234	203	16	–
Moazzam Malik <i>Director General – Africa</i>	35 – 40 plus a lump sum of 70 – 75	5 – 7.5 plus a lump sum of 7.5 – 10	671	559	86	–
Sir Tim Barrow <i>Director-General Political (from 02/09/2020)</i>	65 – 70 plus a lump sum of 170 – 175	0 – 2.5 plus a lump sum of 0	1,475	1,412	18	–
Jenny Bates <i>Director General-Indo Pacific</i>	40 – 45 plus a lump sum of 5 – 10	5 – 7.5 plus a lump sum of 0 – 2.5	589	496	68	–
Thomas Drew <i>Director General – Middle East, North Africa, Afghanistan and Pakistan</i>	45 – 50 plus a lump sum of 90 – 95	2.5 – 5 plus a lump sum of 0	825	769	23	–
Nic Hailey <i>Director General – Transformation (from 16/06/2020)</i>	35 – 40 plus a lump sum of 75 – 80	5 – 7.5 plus a lump sum of 12.5 – 15	603	484	97	–
Kumar Iyer <i>Director General – Delivery</i>	25 – 30	2.5 – 5	288	250	19	–
Sir Iain MacLeod <i>Director General Legal Adviser</i>	55 – 60 plus a lump sum of 170 – 175	0 – 2.5 plus a lump sum of 5 – 7.5	1,371	1,287	37	–

<b>Officials<sup>82 83 84</sup></b>	<b>Accrued pension at pension age as at 31/3/21 and related lump sum £000</b>	<b>Real increase in pension and related lump sum at pension age £000</b>	<b>CETV at 31/3/21<sup>85</sup> £000</b>	<b>CETV at 31/3/20 £000</b>	<b>Real increase in CETV £000</b>	<b>Employer contribution to partnership pension account £000</b>
Vijay Rangarajan <i>Director-General Americas and Overseas Territories</i> (from 02/09/2020)	40 – 45 plus a lump sum of 85 – 90	0 – 2.5 plus a lump sum of 0 – 2.5	754	701	27	–
Helen Bower-Easton <i>Director, Communications</i>	30 – 35	0 – 2.5	405	380	6	–
Melanie Robinson, <i>UK Ambassador to Zimbabwe</i> (Overseas Network Representative) (from 02/09/2020)	25 – 30 plus a lump sum of 50 – 55	0 – 2.5 plus a lump sum of 0 – 2.5	396	381	10	–
Simon Manley <i>Director-General C-19</i> (to 01/09/2020)	45 – 50 plus a lump sum of 90 – 95	0 – 2.5 plus a lump sum of 0 – 2.5	809	784	20	–
Lord (Simon) McDonald <i>Permanent Under-Secretary</i> (to 01/09/2020)	90 – 95 plus a lump sum of 280 – 285	0 – 2.5 plus a lump sum of 2.5 – 5	2,242	2,216	13	–
Jonathan Sinclair <i>Human Resources Director (joint)</i> (to 26/02/2021)	35 – 40 plus a lump sum of 75 – 80	2.5 – 5 plus a lump sum of 0 – 2.5	672	612	28	–
Liane Saunders <i>Director, Strategy (joint)</i> (to 12/01/2021)	45 – 50 plus a lump sum of 35 – 40	0 – 2.5 plus a lump sum of 0 – 2.5	800	748	24	–
Menna Rawlings <i>Director General – Economic and Global Issues</i> (to 01/09/2020)	50 – 55 plus a lump sum of 110 – 115	0 – 2.5 plus a lump sum of 0 – 2.5	918	893	21	–

<b>Officials<sup>82 83 84</sup></b>	<b>Accrued pension at pension age as at 31/3/21 and related lump sum £000</b>	<b>Real increase in pension and related lump sum at pension age £000</b>	<b>CETV at 31/3/21<sup>85</sup> £000</b>	<b>CETV at 31/3/20 £000</b>	<b>Real increase in CETV £000</b>	<b>Employer contribution to partnership pension account £000</b>
Richard Moore <i>Director-General Political</i> (to 01/09/2020)	5 – 10	0 – 2.5	101	80	14	–
Peter Jones <i>Chief Operating Officer</i> (to 01/09/2020)	65 – 70 plus a lump sum of 80 – 85	0 – 2.5 plus a lump sum of 0 – 2.5	1,434	1,359	35	–
Jill Morris <i>Overseas Network Representative</i> (to 01/09/2020)	40 – 45 plus a lump sum of 85 – 90	0 – 2.5 plus a lump sum of 0 – 2.5	759	719	15	–
Nick Dyer <i>Acting Permanent Secretary DFID</i> (to 01/09/2020)	55 – 60 plus a lump sum of 160 – 165	0.25 plus a lump sum of 0 – 2.5	1,278	1,222 <sup>87</sup>	20	–
Richard Clarke <i>Director General</i> (to 01/09/2020)	35 – 40	0 – 2.5	528	495	16	–
Helen Mills <i>Human Resources Director (joint)</i> (from 01/05/2020 to 31/12/2020)	25 – 30	0 – 2.5	288	269 <sup>88</sup>	8	–
Rachel Turner <i>Acting Director General</i> (to 01/9/2020)	45 – 50 plus a lump sum of 135 – 140	0 – 2.5 plus a lump sum of 0 – 2.5	1,080	1,051 <sup>89</sup>	–2	–
Ravi Chand <i>Chief People Officer</i> (to 30/04/2020)	–	–	–	944	–	1

<sup>87</sup> Nick Dyer amount of CETV has changed due to retrospective update to salary data

<sup>88</sup> Helen Mills is for time on Board of Department for Exiting the European Union 1 April 2020 to 31 January 2021

<sup>89</sup> Rachel Turner CETV at 31/3/20 was stated incorrectly stated as 1050 for 2019-20, and should have been 1,051

## Civil Service Pensions

Pension benefits are provided through the Civil Service pension arrangements. From 1 April 2015 a new pension scheme for civil servants was introduced – the Civil Servants and Others Pension Scheme or **alpha**, which provides benefits on a career average basis with a normal pension age equal to the member's State Pension Age (or 65 if higher). From that date, all newly appointed civil servants and the majority of those already in service joined **alpha**. Prior to that date, civil servants participated in the Principal Civil Service Pension Scheme (PCSPS). The PCSPS has four sections: 3 providing benefits on a final salary basis (**classic**, **premium** or **classic plus**) with a normal pension age of 60; and one providing benefits on a whole career basis (**nuvos**) with a normal pension age of 65.

These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under **classic**, **premium**, **classic plus**, **nuvos** and **alpha** are increased annually in line with Pensions Increase legislation. Existing members of the PCSPS who were within 10 years of their normal pension age on 1 April 2012 remained in the PCSPS after 1 April 2015. Those who were between 10 years and 13 years and 5 months from their normal pension age on 1 April 2012 will switch into **alpha** sometime between 1 June 2015 and 1 February 2022. All members who switch to **alpha** have their PCSPS benefits 'banked', with those with earlier benefits in one of the final salary sections of the PCSPS, having those benefits based on their final salary when they leave **alpha**. (The pension figures quoted for officials show pension earned in PCSPS or **alpha** – as appropriate. Where the official has benefits in both the PCSPS and **alpha** the figure quoted is the combined value of their benefits in the two

schemes.) Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a 'money purchase' stakeholder pension with an employer contribution (partnership pension account).

Employee contributions are salary-related and range between 4.6% and 8.05% for members of classic, premium, classic plus, nuvos and alpha. Benefits in classic accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to 3 years initial pension is payable on retirement. For premium, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike classic, there is no automatic lump sum. Classic plus is essentially a hybrid with benefits for service before 1 October 2002 calculated broadly as per classic and benefits for service from October 2002 worked out as in premium. In nuvos, a member builds up a pension based on their pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and the accrued pension is uprated in line with Pensions Increase legislation. Benefits in alpha build up in a similar way to nuvos, except that the accrual rate is 2.32%. In all cases members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004.

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of classic, premium and classic plus, 65 for members of nuvos, and the higher of 65 or State Pension Age for members of alpha.

(The pension figures quoted for officials show pension earned in PCSPS or alpha – as appropriate. Where the official has benefits in both the PCSPS and alpha, the figure quoted is the combined value of their benefits in the two schemes, but note that part of that pension may be payable from different ages.) Further details about the Civil Service pension arrangements can be found at the website:

[www.civilservicepensionscheme.org.uk](http://www.civilservicepensionscheme.org.uk)

### **Cash Equivalent Transfer Values (CETV)**

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits, accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement, to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The figures include the value of any pension benefit in another scheme or arrangement which the member has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost. CETVs are worked out in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits

resulting from Lifetime Allowance Tax, which may be due when pension benefits are taken.

### **Real Increase in CETV**

This reflects the increase in CETV that is funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

### **Pension Contributions**

For 2020-21, employers' contributions of £90,576,434 were payable to the PCSPS and the Civil Servant and Other Pension Scheme (CSOPS) – known as “alpha” at one of four rates in the range 26.6% to 30.3% of pensionable earnings, based on salary bands.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers' contributions of £697,479 were paid to one or more of the panel of three appointed stakeholder pension providers. Employer contributions are age related and ranged from 8% to 14.75%. Employers also match employee contributions up to 3% of pensionable earnings. In addition, employer contributions of £26,106 (0.5% of pensionable pay), were payable to the PCSPS to cover the cost of the future provision of lump sum benefits on death in service, or ill-health retirement of these employees. Contributions due to the partnership pension providers at the balance sheet date were £0. Contributions prepaid at that date were £0.

## Staff Report

### Our Workforce<sup>90</sup>

The FCDO had 16,732 employees as at 31 March 2021 comprising 7,471 (45%) UK-Based (UKB) staff and 9,261 (55%) Country Based Staff. The UKB full-time equivalent was 7,329. 71% of UKB staff were working in the UK and 29% were based overseas.

FCDO Staff Headcount	FCDO <sup>91</sup> Employees at 31/3/2021	FCDO Employees at 31/3/2020
UK Based	7,471	7,891
Country Based Staff	9,261	9,261
Ministers	7	9 <sup>92</sup>
Special Advisors	5	6

### Our Workforce Structure

The FCDO has a Senior Civil Servants (SCS) structure comprising four pay bands.

The table below shows the number of SCS employed by the FCDO:

Grade	FCDO SCS at 31/03/2021
Permanent Under-Secretary	1
SCS4	2
SCS3	36
SCS2	130
SCS1	383
<b>Total</b>	<b>552</b>

### Salary for SCS Pay Bands

SCS Pay Band	Cabinet Office minimum	Cabinet Office maximum
Director General	£120,000	£208,100
Director	£93,000	£162,500
Deputy Director	£71,000	£117,800

<sup>90</sup> Where the approach to calculations were consistent, the 2019-20 comparative figures have been calculated by aggregating the figures in the DFID and FCO 2019-20 Annual Report and Accounts. Where the approach to calculations were not consistent the 2019-20 comparative figures have been recalculated accordingly.

<sup>91</sup> The overall staffing numbers within the FCDO have decreased due to the introduction of headcount controls whilst we develop a workforce plan that will address the future size, shape and capability requirements of the organisation. Due to the complexities associated with the merger we have not been able to calculate the staff turnover percentage. We will look to address this going forward.

<sup>92</sup> This number is less than the totals in the 2019-20 Annual Reports and Accounts due to DFID and FCO having joint ministers

## Staff Loans

Career experience outside of the FCDO helps to build expertise and organisational agility.

The table below shows the number of staff loaned into the FCDO as at 31 March 2021 from Other Government Departments:

Grade	Loaned in total	Loaned in for <6 months	Loaned in for 6+ months	Average Loan length (in years)
AO	10	1	9	1
EO	21	2	19	4
HEO	251	20	231	2
SEO	90	4	86	3
G7	254	28	226	2
G6	82	2	80	2
SCS	82	8	74	4

The table below shows the number of staff loaned from the FCDO as at 31 March 2021 to Other Government Departments.

Grade	Loaned out total	Loaned out for <6 months	Loaned out for 6+ months	Average Loan length (in years)
AO	2	–	2	2
EO	3	–	3	2
HEO	42	12	30	1
SEO	8	3	5	1
G7	59	11	48	3
G6	31	10	21	2
SCS	45	17	28	1

All loans data includes staff who were loaned between the legacy departments where the loan commenced prior to the merger.

## Average Number of Persons Employed<sup>93</sup>

The average number of whole-time equivalent persons employed by FCDO during 2020-21 was 7,544. The FTE for the Foreign and Commonwealth Office for 2019-20 was 5,193 and for the Department for International Development was 2,677.<sup>94</sup>

<sup>93</sup> These disclosures are subject to audit

<sup>94</sup> This number differs from what was published in DFID's 2019-20 Annual Report as this number does not include Country Based Staff. This methodology is consistent with legacy FCO methodology and also with FCDO.

## Staff Costs (Subject to Audit)

All staff costs relate to the staff of FCDO. The numbers in the table below are included in 'Staff costs' within the Consolidated Statement of Comprehensive Net Expenditure and in note 3 Expenditure.

FCDO	Permanently employed staff £000	Others £000	Ministers £000	Special Advisers £000	2020-21 Total £000	2019-20 Total £000
Wages and Salaries	681,045	5,722	336	–	687,103	650,431
Social security costs	35,199	–	38	–	35,237	31,847
Other pension costs	114,646	–	–	–	114,646	109,698
Sub total	830,890	5,722	374	–	836,986	791,976
Less recoveries in respect of outward secondments	(2,718)	–	–	–	(2,718)	(2,679)
Total net costs	828,172	5,722	374	–	834,268	789,297

## Pay Multiples<sup>95</sup>

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the median remuneration of the organisation's workforce.

The banded remuneration of the highest-paid director in the FCDO in the Financial Year 2020-21 was £195-200k (2019-20 restated, £195-200k). This was 4.18 times (2019-20 restated<sup>96</sup> 4.67) the median remuneration of the workforce, which was £47,202 (2019-20 restated, £42,329).

In 2020-21, no employee received remuneration in excess of the highest-paid director. Remuneration ranged from £20,200– £200,000 (2019-20 restated, £18,200-£200,000).

	2020-21	2019-20	% change
Band of highest paid director's total remuneration	£195-200k	£195-200k	0%
Median remuneration of all UK Based staff	£47,202	£42,329	11.51%
Ratio	4.18	4.67	-10.49%

Remuneration is driven by a variety of factors – base salary pay ranges, with salary allowances, claimable allowances, bonuses etc. Median remuneration is as variable as the elements that are included within it and will differ year on year. The change in the

<sup>95</sup> These disclosures are subject to audit

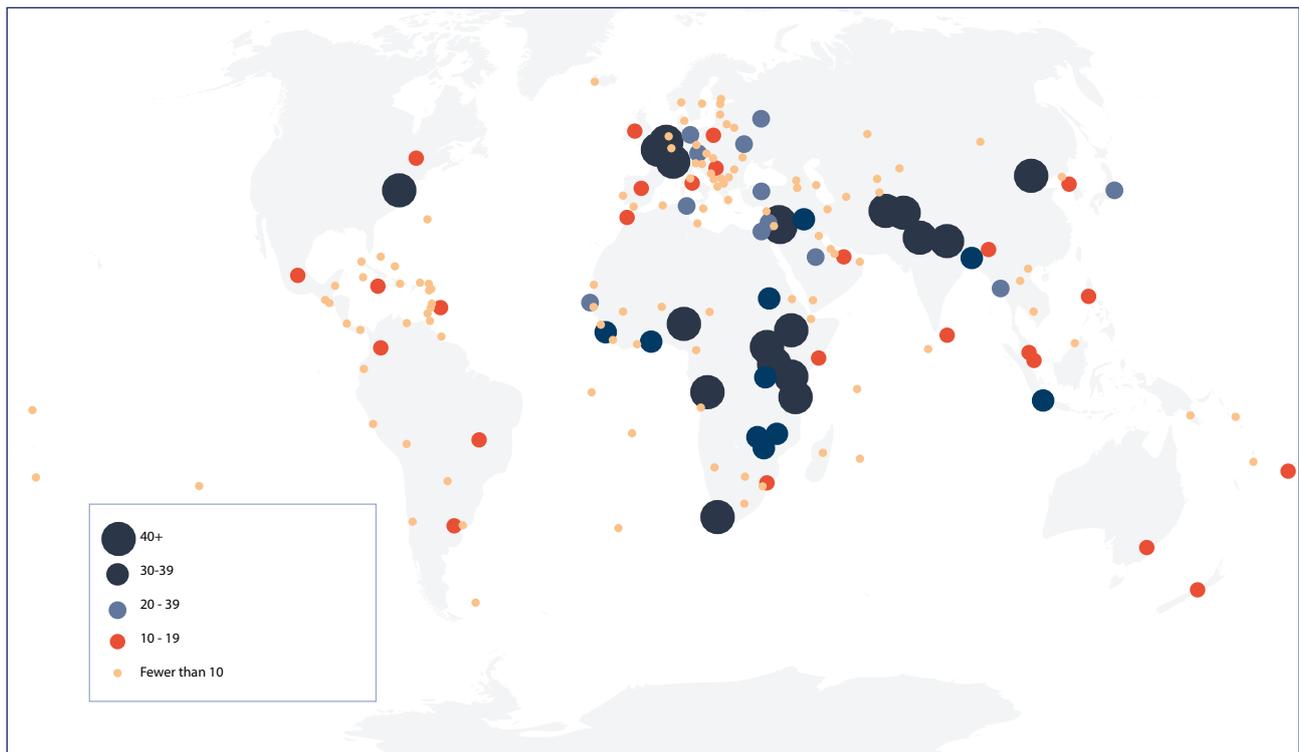
<sup>96</sup> These figures have been restated based on values recalculated using DFID and FCO data prior to the forming of FCDO

ratio between the highest paid and the median employee has been driven by the increase in median remuneration.

Country-based staff salaries are excluded from the pay multiple calculation. Their salaries are paid in local currency, based on local market conditions and subject to

individual countries taxation and social security arrangements. The variation of arrangements plus differences in rates of pay and local purchasing power would distort the pay multiple calculation and would make comparisons with other organisations impossible.

## UK Staff in the FCDO Overseas Network



## Diversity and Inclusion

Diversity, inclusion and belonging matter because people perform better when they feel valued and respected at work. The FCDO is becoming more diverse: FCDO UKB staff are 52% women, 17% Black, Asian and minority ethnic (BAME), 13% disabled and 7% LGBT, although diversity remains greater in more junior grades. A new Inclusion Framework will help us deliver our aspiration for the FCDO to be the most inclusive government department.

**Male and Female Employees**

Legacy DFID	31 March 2020	
	% Female	% Male
UKB SCS	48%	52%
UKB Delegated Grades	57%	43%
Country Based Staff	61%	39%

FCDO	31 March 2021	
	% Female	% Male
UKB SCS	42%	58%
UKB Delegated Grades	53%	47%
Country Based Staff	45%	55%

Legacy FCO	31 March 2020	
	% Female	% Male
UKB SCS	37%	63%
UKB Delegated Grades	48%	52%
Country Based Staff	43%	57%

Declared Diversity of FCDO UKB Staff as at 31 March 2021 (%):

	All UKB Staff	SCS	All Delegated Grades	G6	G7	SEO	HEO	EO	AO and AA
<b>Female</b>	51.77%	42.24%	52.53%	47.22%	51.72%	49.93%	51.93%	62.21%	60.00%
<b>BAME</b>	16.91%	8.28%	17.66%	9.41%	14.63%	11.21%	19.96%	28.10%	31.18%
<b>Disabled</b>	12.75%	6.12%	13.29%	9.80%	11.65%	13.37%	13.13%	18.73%	19.25%
<b>LGBT</b>	6.79%	5.94%	6.86%	6.23%	8.33%	5.89%	7.30%	3.72%	6.82%

The FCDO's aspiration is to be a truly inclusive organisation. The FCDO's Inclusion Framework plans to turn this aspiration into a reality over the next four years in which the potential of our diverse workforce is fully harnessed. This in turn will help increase the UK's impact internationally as a force for good in the world.

The FCDO encourages staff to supply diversity data but it is not mandatory and reporting rates vary by characteristic. To protect the privacy of staff who do not wish to record any of this personal

information, it is possible for individuals to record on the database that they do not wish to declare. These figures (and those below) exclude all staff working from other Whitehall Partners on the FCO platform overseas, including Wilton Park and FCO Services. Data for AA and AO grade have been merged due to the small numbers in these grades.

The FCDO aims to employ a diverse range of talented people capable of delivering to a high standard, often under pressure and sometimes in difficult places. We want the

FCDO to reflect the very best of 21st century Britain. We encourage applications from all suitably qualified applicants irrespective of background or gender, ethnicity, disability, sexual orientation or any other protected characteristic. Recruitment into the FCDO is based on merit and fair and open competition, adhering to the Civil Service Recruitment Principles. Internal appointments and promotions are also based on the same principles of fair and open competition. In addition, the FCDO participates in the Leonard Cheshire Change 100 intern Programme, the Department for Education Care Leaver Internship scheme, the Cabinet Office-led Autism Exchange Programme and the Summer Diversity Internship Programme.

The FCDO applies the Disability Confident Scheme (DCS) to internal as well as external job applications. Hiring managers are required to ensure that candidates with disabilities are not discriminated against, and apply the Disability Confident interview criteria. The DCS guarantees an interview to any person with a disability defined by the Equality Act 2010 who can also demonstrate that they meet the minimum requirements for the role. In all interviews, candidates are also consulted about reasonable adjustments required, to ensure a fair and transparent process for all.

The FCDO is an accredited 'Disability Confident Leader' under the government's Disability Confident Scheme (<https://disabilityconfident.campaign.gov.uk>), which denotes organisations which have a positive commitment towards disabled people. Disability support for UK based staff complies with the Equality Act 2010, which requires employers to make "reasonable adjustments" in the workplace when a member of staff has a disability or long-term health condition which places them at a substantial disadvantage compared to an

officer without a disability. Terms and conditions for Country Based Staff working at FCDO Posts abroad are governed by local law, which means there is no legal duty to comply with the terms of the Equality Act 2010 in respect of Country Based Staff. Nevertheless, the FCDO encourages Posts to adopt a best practice approach and observe the spirit of the legislation.

Disabilities disclosed by UK-based staff cover a broad range of conditions, including neuro-diverse conditions (e.g. dyslexia, dyspraxia and Asperger's), mobility issues and hearing or visual impairments. Reasonable adjustments for staff with disabilities can include an expert disability assessment; the supply of specialised office equipment and/or provision of IT software and hardware and appropriate training. More general awareness training and support is also available to staff with disabilities, their managers and (where appropriate) team colleagues. Staff who are profoundly deaf or with a significant hearing impairment can additionally request the support of qualified British Sign Language interpreters and lip speakers.

## **Health, Safety and Wellbeing**

### ***FCDO Health and Safety***

A large element of this year's focus has been on pre-merger DFID and FCO teams building a better understanding of each other's work, and comparing ways of working. This has helped prepare a solid foundation to progress to full alignment. Foundations for improved governance have been set. In September 2020 the Foreign Secretary issued the Crown's Assignment of Health and Safety (HS) Responsibilities to support the launch of the new department and guide the Management Board on HS. The FCDO Management Board acknowledges its ongoing responsibilities

under the Health and Safety at Work Act in the UK and will seek to achieve the same, or similar, levels of safety and health protection overseas for its staff, contractors and tenants. Formal Letters of Appointment are in the process of being issued from the Foreign Secretary's Office to Management Board Members and HS Advisors.

The FCDO Audit and Risk Assurance Committee has commissioned a review of the Health and Safety function. The first phase is determining the legal requirements of our complex organisation, our current "as-is" and immediate recommendations with a particular focus on governance, specifically the scheme of delegation and assurance. This review is due to complete in 2022 and runs in tandem with an internal audit on HS governance.

Operationally, the teams continue to work closely but essentially still dual-run; focusing on their pre-merger priorities. This will continue until the review helps facilitate agreement/understanding on the new department wide priorities, appetite for risk and structure.

### ***FCDO Wellbeing***

The FCDO faces wellbeing challenges unique to the Civil Service. Our staff often work in hostile or challenging environments far from home, family and friends. COVID-19 travel restrictions were particularly felt by our staff overseas during 2020-21, with many separated from their immediate family and unable to connect with their lives in the UK for extended periods. Our Country Based Staff have remained crucial during this period, continuously delivering in difficult and resource-stretched environments. They have

taken on new responsibilities and covered gaps, despite their varied and demanding personal circumstances. The wellbeing of our staff is a key priority and is reflected in our commitment to meet the Mental Health at Work standards on promoting an open culture around mental health and wellbeing. Activities included a new virtual training offer, launched in April 2020, on managing good mental health and wellbeing with the aim of breaking the stigma around mental health issues and giving staff the tools they need to better recognise, understand, support and promote good mental health and wellbeing on an individual level and within their teams. More than 3,000 staff participated in this training in 2020-21. The FCDO also has a global network of over 485 Mental Health First Aiders qualified to signpost sources of appropriate support and advice, and an active Mental Health, Wellbeing and Listening Network. In addition, all staff and their immediate families have 24/7 access to the FCDO's Employee Assistance Programme.

### **Staff Engagement**

The annual Civil Service People Survey looks at civil servants' attitudes to and experience of working in government departments. The first People Survey for FCDO staff was undertaken in October 2020 with a 74% response rate, compared with 82% in 2019 for DFID and 85% for FCO. The FCDO's Employee Engagement Index (the measure of employee commitment to organisational goals and values) was 67%. This is 1 percentage point above the Civil Service (CS) average, which itself was the highest ever; in 2019 DFID's EEI was 69% and FCO was 72%.

## Sickness Absence Rates

The FCDO measures the average number of days lost to sickness absence, known as the average working days lost (AWDL) for our UKB staff, based on the number of fulltime equivalent employees.

In 2020, the FCDO had an AWDL of 3.4, which is a reduction of 0.8 when compared to the 2019 figure of 4.2 (combined legacy DFID and FCO) and remains below the Civil Service average.

Sickness Absence in FCDO <sup>97</sup>	2020	2019
Working days lost (short-term absence)	11,597	14,663
Working days lost (long-term absence)	14,575	19,369
Total working days lost	26,172	34,032
AWDL <sup>98</sup>	3.4	4.2
Number of staff absent as a result of sickness	2,091	2,584
Percentage of staff with no sickness absence	75%	71%

## Ill Health Retirements

6 individuals retired early on ill-health grounds; the total additional accrued pension liability in the year amounted to £52,559.

## Expenditure on Consultancy and Temporary Staff

Professional services and external resources can generally be split into two broad categories. Temporary staff includes temporary workers, interim managers and specialist contractors who are used to cover business-as-usual or service delivery activity, within an organisation. Consultancy includes staff who provide objective advice relating to strategy, structure, management, or operations of an organisation and may include the identification of options with recommendations.

Spend on consultancy and the need for temporary staff within the FCDO is largely driven by the nature of the projects being undertaken and the expertise required.

Consultancy costs and spend on temporary staff for the FCDO:

	2020-21	2019-20
Consultancy costs	£2,742,044	£2,960,700
Temporary staff costs	£25,679,267 <sup>99</sup>	£12,086,112

<sup>97</sup> The 2019 figures do not total what was in the 2019-20 DFID and FCO Annual Reports, as the reporting periods were different. The reporting periods have now been aligned to calendar year.'

<sup>98</sup> The Average Working Days Lost (AWDL) is a combined legacy FCO and legacy DFID average for the whole reporting period. That is set out in the paragraph as FCDO average. Civil Service sickness absence rates are calculated using the same methodology for all government departments. This allows for consistent and accurate comparisons between government departments and the civil service average.

<sup>99</sup> The increase in temporary staff spend is due to development costs of HERA, our new finance and HR system.

**Off-Payroll Engagements<sup>100</sup>**

For all off-payroll engagements as of 31 March 2021 for more than £245 per day and that last longer than six months for the FCDO:

	<b>Main Department</b>	<b>Agencies</b>	<b>ALBs</b>
Number of existing engagements as of 31 December 2020	192	–	15
<i>Of which ...</i>			
No. that have existed for less than one year at time of reporting.	117	–	3
No. that have existed for between one and two years at time of reporting.	70	–	6
No. that have existed for between two and three years at time of reporting.	5	–	3
No. that have existed for between three and four years at time of reporting	0	–	3
No. that have existed for four or more years at time of reporting	–	–	–

For all off-payroll engagements as of 31 March 2021 for more than £245 per day and that last longer than six months for the FCDO:

	<b>Main Department</b>	<b>Agencies</b>	<b>ALBs</b>
Number of new engagements that reached 6 months in duration, between 1 April 2020 and 31 December 2020	201	–	11
<i>Of which ...</i>			
No. assessed as caught by IR35	19	–	10
No. assessed as not caught by IR35	182	–	1
No. engaged directly (via PSC contracted to department) and are on the departmental payroll	–	–	–
No. of engagements reassessed for consistency/assurance purposes during the year	–	–	–
No. of engagements that saw a change to IR35 status following the consistency review.	–	–	–

<sup>100</sup> These disclosures are subject to audit.

For any off-payroll engagement of board members, and/or senior officials with significant finance responsibility between 1 April 2020 and 31 March 2021 for the FCDO:

	<b>Main Department</b>	<b>Agencies</b>	<b>ALBs</b>
Number of off-payroll engagements of Board members and/or senior officials with significant financial responsibility during the Financial Year	–	–	–
Total number of individuals on payroll and off-payroll that have been deemed “board members, and/or, senior officials with significant financial responsibility”, during the Financial Year. This figure should include both on payroll and off-payroll engagements.	11	–	37

## Reporting of Civil Service and Other Compensation Schemes – Exit Packages

FCDO 2020-21 (Comparative data for previous year shown in brackets):<sup>101</sup>

<b>Exit package cost band</b>	<b>Core Department – FCDO UK Based 2020-21</b>		
	<b>Number of compulsory redundancies</b>	<b>Number of other departures agreed</b>	<b>Total number of exit packages by cost band</b>
<£10,000	4 (0)	1 (3)	5 (3)
£10,000 – £25,000	0 (3)	0 (1)	0 (4)
£25,000 – £50,000	0 (8)	0 (2)	0 (10)
£50,000 – £100,000	0 (0)	0 (2)	0 (2)
£100,000 – £150,000	0 (0)	1 (1)	1 (1)
£150,000 – £200,000	0 (0)	0 (0)	0 (0)
Total number of exit packages	4 (11)	2 (9)	6 (20)
<b>Total cost £000</b>			<b>152 (649)</b>

<sup>101</sup> [1] These disclosures are subject to audit.

[2] Redundancy and other departure costs have been paid in accordance with the provisions of the Civil Service Compensation Scheme, a statutory scheme made under the Superannuation Act 1972. Exit costs are accounted for in full in the year of departure. Where the department has agreed early retirements, the additional costs are met by the department and not by the Civil Service pension scheme. Ill-health retirement costs are met by the pension scheme and are not included in the table.

[3] Payments attributed to the Financial Year the exit occurred rather than payment occurred.

[4] Payments of standard contractual CILON/PILON excluded. Payments for Dismissal with compensation included. Payment of redundancy to Fixed Term Employees included.

[5] 12 entries covering 1 dismissal with compensation and 11 redundancy payments to fixed term fee paid employees on FCO funded secondments to Stabilisation Unit were not included in the FY 2019-20 report figures for that year.

[6] 7 other exit related payments excluded, covering 5 individuals classified as out of scope (e.g. where ex gratia payments were included in Loss section).

[7] In 2020-21, Wilton Park agreed 10 other departures which had a total cost of £432k and have not been included in the table above. There were no other compulsory or other departures agreed within the Departmental Group in 2020-21

Redundancy and other departure costs have been paid in accordance with the provisions of the Civil Service Compensation Scheme, a statutory scheme made under the Superannuation Act 1972. Exit costs are accounted for in full in the year of departure.

Where the department has agreed early retirements, the additional costs are met by the department and not by the Civil Service pension scheme. Ill-health retirement costs are met by the pension scheme and are not included in the table.

### **Country Based Staff Exits (Subject to Audit)**

FCDO 2020-21 (Comparative merged data for previous year 2019-20 shown in brackets):

Exit package cost band	Core Department – 2020-21		
	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
<£10,000	34 (44)	134 (36)	168 (80)
£10,000 – £25,000	15 (16)	20 (7)	35 (23)
£25,000 – £50,000	7 (4)	6 (5)	13 (9)
£50,000 – £100,000	– (2)	3 (1)	3 (3)
£100,000 – £150,000	– (–)	– (–)	– (–)
£150,000 – £200,000	– (–)	– (–)	– (–)
Total number of exit packages	56 (66)	163 (49)	219 (115)
<b>Total cost (£000)</b>	<b>619 (602)</b>	<b>1,132 (610)</b>	<b>1,751 (1,212)</b>

HM Treasury agreed the terms of a Country Based staff exit scheme in December 2017. The terms of compulsory redundancy will vary depending on local employment law.

## Trade Union Disclosures

The Trade Union (Facility Time Publication Requirements) Regulations 2017 came into force on 1 April 2017. These regulations place a legislative requirement on relevant public sector employers to collate and publish, on an annual basis, a range of data on the amount and cost of facility time within their organisations.

FCDO Trade Union (TU) Facility time includes FCDO Services and Wilton Park; the TU officials represent members from the 3 organisations.

The total number of employees who were relevant union officials during the period 1 April 2020 to 31 March 2021 was:

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
44	43.39

## Percentage of time spent on facility time

The number of employees who were relevant union officials employed during the period 1 April 2020 to 31 March 2021 spent the following percentage of their working hours on facility time was:

Percentage of time	Number of employees
0%	32
1–50%	12
51%–99%	0
100%	0

## Percentage of pay bill spent on facility time

The percentage of total pay bill spent on paying employees who were relevant union officials for facility time during the period 1 April 2020 to 31 March 2021 was:

Description	Figures
Total cost of facility time	£129,468
Total pay bill	£668,380,230
Percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	0.02%

## Paid trade union activities

Of the total facility time hours available to employees who were relevant union officials, the table below represents the percentage of that time spent on union activities during the period 1 April 2020 to 31 March 2021:

Description	Figures
Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union ÷ activities by relevant union officials during the relevant period total paid facility time hours) x100	0%

## 2.3

# Parliamentary Accountability and Audit Report

### Statement of Parliamentary Supply

#### Summary of Resource and Capital Outturn 2020-21

In addition to the primary statements prepared under International Financial Reporting Standards (IFRS), the Government Financial Reporting Manual (FReM) requires the FCDO to prepare a Statement of Parliamentary Supply (SoPS) and supporting notes. The SoPS and related notes are subject to audit, as detailed in the Certificate and Report of the Comptroller and Auditor General to the House of Commons. The SoPS is a key accountability statement that shows, in detail, how an entity has spent against their Supply Estimate. The Supply Estimate is the monetary provision (for resource and capital purposes) and cash (drawn primarily from the Consolidated Fund), that Parliament gives statutory authority for entities to utilise. The Estimate details supply and is voted on by Parliament at the start of the Financial Year. Should an entity exceed the limits set by their Supply Estimate, called control limits, their accounts will receive a qualified opinion. In addition, although not a separate voted limit, any breach of the administration budget will also result in an excess vote.

The supporting notes detail the following: Outturn by Estimate line, providing a more detailed breakdown (note 1); a reconciliation of outturn to net operating expenditure in the SOCNE, to tie the SOPS to the financial statements (note 2); a reconciliation of outturn to net cash requirement (note 3); and, an analysis of income payable to the Consolidated Fund (note 4).

Figures in the areas outlined in thick line cover the voted control limits voted by Parliament. Refer to the Supply Estimates guidance manual, available on GOV.UK, for detail on the control limits voted by Parliament. Parliamentary control of FCDO spending applies to:

- The net resource DEL requirement
- The net capital DEL requirement
- The net resource AME requirement
- The net cash requirement for the Estimate as a whole.

The SoPS provides a detailed view of financial performance, in a form that is voted on and recognised by Parliament. Explanations of variances between estimate and outturn are given in the Financial Review (pg 47).

	Note	FCDO 2020-21								2019-20
		Outturn			Estimate			Saving/(Excess)		Outturn
		Voted £000	Non-Voted £000	Total £000	Voted £000	Non-Voted £000	Total £000	Voted £000	Total £000	Total £000
<b>Departmental Expenditure Limit</b>										
Resource	SoPS 1.1	9,391,920	522,000	9,913,920	9,420,110	521,090	9,941,200	28,190	27,280	10,583,180
Capital	SoPS 1.2	2,871,077	–	2,871,077	2,977,258	–	2,977,258	106,181	106,181	2,183,941
<b>Total</b>		<b>12,262,997</b>	<b>522,000</b>	<b>12,784,997</b>	<b>12,397,368</b>	<b>521,090</b>	<b>12,918,458</b>	<b>134,371</b>	<b>133,461</b>	<b>12,767,121</b>
<b>Annually Managed Expenditure</b>										
Resource	SoPS 1.1	617,378	–	617,378	703,486	–	703,486	86,108	86,108	(158,584)
Capital	SoPS 1.2	650,000	–	650,000	650,000	–	650,000	–	–	955,000
<b>Total</b>		<b>1,267,378</b>	<b>–</b>	<b>1,267,378</b>	<b>1,353,486</b>	<b>–</b>	<b>1,353,486</b>	<b>86,108</b>	<b>86,108</b>	<b>796,416</b>
<b>Total Budget</b>										
Resource	SoPS 1.1	10,009,298	522,000	10,531,298	10,123,596	521,090	10,644,686	114,298	113,388	10,424,596
Capital	SoPS 1.2	3,521,077	–	3,521,077	3,627,258	–	3,627,258	106,181	106,181	3,138,941
<b>Total Budget Expenditure</b>		<b>13,530,375</b>	<b>522,000</b>	<b>14,052,375</b>	<b>13,750,854</b>	<b>521,090</b>	<b>14,271,944</b>	<b>220,479</b>	<b>219,569</b>	<b>13,563,537</b>
<b>Non-Budget</b>		<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total Budget and Non Budget</b>		<b>13,530,375</b>	<b>522,000</b>	<b>14,052,375</b>	<b>13,750,854</b>	<b>521,090</b>	<b>14,271,944</b>	<b>220,479</b>	<b>219,569</b>	<b>13,563,537</b>

## Summary of Net Cash Requirement

	Note	Outturn £000	Estimate £000	2020-21	2019-20
				Saving/ (Excess) £000	Outturn Total £000
Net Cash Requirement	SoPS 3	12,403,823	13,022,118	618,295	13,533,748

## Summary of Administration Costs

	Note	Outturn £000	2020-21	Saving/ (Excess) £000	2019-20
			Estimate £000		Outturn Total £000
Administration Costs	SoPS 1.1	243,435	337,473	94,038	228,447

- The format of the SOPS mirrors the Supply Estimates, published on GOV.UK, to enable comparability between what Parliament approves and the final outturn. The SOPS summary table above details performance against control limits that Parliament have voted on, cash spent (budgets are compiled on an accruals basis and so outturn won't exactly tie to cash spent) and administration.
- The SOPS and Estimates are compiled against the budgeting framework, which is similar to, but different to IFRS. An understanding of the budgeting framework and an explanation of key terms is provided on page 47 in the financial review section of the performance report. Further information on the Public Spending Framework and the reasons why budgeting rules are different to IFRS can also be found in Chapter 1 of Consolidated Budgeting Guidance, available on [GOV.UK](https://www.gov.uk).
- Although not a separate voted limit, any breach of the administration budget will also result in an excess vote.

# SOPS 1 Net outturn

## SOPS 1.1 Analysis of net resource outturn by section

	FCDO 2020-21											2019-20
	Resource Outturn						Total £000	Estimate			Outturn vs Estimate, saving/ (excess) £000	Prior Year Outturn Total £000
	Administration			Programme				Total £000	Virements £000	Total inc. Virements £000		
	Gross £000	Income £000	Net £000	Gross £000	Income £000	Net £000						
<b>Type of Spend (Resource)</b>												
<b>Spending in Departmental Expenditure Limits (DEL)</b>												
<b>Voted Expenditure</b>												
A CSC (ALB) (net) scholarship relating to developing countries	424	–	424	25,049	–	25,049	25,473	25,424	49	25,473	–	27,997
B Total Operating Costs	117,080	(4,333)	112,747	208,674	(46)	208,628	321,375	349,998	(14,875)	335,123	13,748	322,792
C Independent Commission for Aid Impact (ALB) (net)	376	–	376	2,745	–	2,745	3,121	3,759		3,759	638	3,210
D Regional Programmes	–	–	–	3,161,954	(352)	3,161,602	3,161,602	3,102,652	58,950	3,161,602	–	3,760,834
E Other Central Programmes	–	–	–	(13,401)	(4,485)	(17,886)	(17,886)	34,116	(52,002)	(17,886)	–	(37,709)
F Policy Priorities, International Organisations and Humanitarian	–	–	–	3,123,268	(361)	3,122,907	3,122,907	3,105,719	17,188	3,122,907	–	3,320,243
G Administration, frontline diplomacy and overseas network	381,961	(252,073)	129,888	1,076,441	(81,455)	994,986	1,124,874	1,154,954	(21,115)	1,133,839	8,965	1,128,453
H Programme funds and third party activity	–	–	–	396,562	–	396,562	396,562	384,822	11,740	396,562	0	382,926
I British Council	–	–	–	148,700	–	148,700	148,700	152,900		152,900	4,200	191,500
J Funding for NDPBs within the Departmental Group (Net)	–	–	–	5,830	–	5,830	5,830	6,466		6,466	636	5,804

	FCDO 2020-21											2019-20
	Resource Outturn						Total £000	Estimate			Outturn vs Estimate, saving/ (excess) £000	Prior Year Outturn Total £000
	Administration			Programme				Total £000	Virements £000	Total inc. Virements £000		
	Gross £000	Income £000	Net £000	Gross £000	Income £000	Net £000						
K Prosperity Fund	-	-	-	213,060	-	213,060	213,060	209,735	3,325	213,060	-	138,900
L Conflict, Stability and Security Fund: Programme expenditure	-	-	-	548,020	(4,338)	543,682	543,682	546,795	(3,113)	543,682	-	520,858
M Conflict, Stability and Security Fund: Peacekeeping	-	-	-	342,620	-	342,620	342,620	342,770	(147)	342,623	3	342,372
<b>Total voted DEL</b>	<b>499,841</b>	<b>(256,406)</b>	<b>243,435</b>	<b>9,239,522</b>	<b>(91,037)</b>	<b>9,148,485</b>	<b>9,391,920</b>	<b>9,420,110</b>	<b>-</b>	<b>9,420,110</b>	<b>28,190</b>	<b>10,108,180</b>
<b>Non-Voted Expenditure</b>												
N European Union Attributed Aid	-	-	-	522,000	-	522,000	522,000	521,090		521,090	(910)	475,000
<b>Total non-voted DEL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>522,000</b>	<b>-</b>	<b>522,000</b>	<b>522,000</b>	<b>521,090</b>	<b>-</b>	<b>521,090</b>	<b>(910)</b>	<b>475,000</b>
<b>Total spending DEL</b>	<b>499,841</b>	<b>(256,406)</b>	<b>243,435</b>	<b>9,761,522</b>	<b>(91,037)</b>	<b>9,670,485</b>	<b>9,913,920</b>	<b>9,941,200</b>	<b>-</b>	<b>9,941,200</b>	<b>27,280</b>	<b>10,583,180</b>
<b>Spending in Annually Managed Expenditure (AME)</b>												
<b>Voted expenditure</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
O Other Central Programmes	-	-	-	381,527	(36,761)	344,766	344,766	503,486	(75,933)	427,553	82,787	(162,964)
Q AME programme	-	-	-	235,933	-	235,933	235,933	160,000	75,933	235,933	-	(33,985)
R Reimbursement of certain duties, taxes and licence fees	-	-	-	36,679	-	36,679	36,679	40,000	-	40,000	3,321	38,365
<b>Total voted AME</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>654,139</b>	<b>(36,761)</b>	<b>617,378</b>	<b>617,378</b>	<b>703,486</b>	<b>-</b>	<b>703,486</b>	<b>86,108</b>	<b>(158,584)</b>
<b>Non-voted Expenditure</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total non-voted AME</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total spending AME</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>654,139</b>	<b>(36,761)</b>	<b>617,378</b>	<b>617,378</b>	<b>703,486</b>	<b>-</b>	<b>703,486</b>	<b>86,108</b>	<b>(158,584)</b>
<b>Total resource</b>	<b>499,841</b>	<b>(256,406)</b>	<b>243,435</b>	<b>10,415,661</b>	<b>(127,798)</b>	<b>10,287,863</b>	<b>10,531,298</b>	<b>10,644,686</b>	<b>-</b>	<b>10,644,686</b>	<b>113,388</b>	<b>10,424,596</b>

## SOPS 1.2 Analysis of net capital outturn by section

	2020-21							2019-20 Prior Year Outturn Total
	Outturn			Estimate				
	Gross £000	Income £000	Net £000	Total £000	Vire- ments £000	Total Inc. virements £000	Outturn vs Estimate, saving/ (excess) Total Inc. £000	
<b>Type of Spend (Capital)</b>								
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<b>Voted expenditure</b>								
A CSC (ALB) (net) scholarship relating to developing countries	–	–	–	–	–	–	–	–
B Totals Operating Costs	–	–	–	–	–	–	–	–
C Independent Commission for Aid Impact (ALB) (net)	–	–	–	–	–	–	–	–
D Regional Programmes	228,286	–	228,286	230,922	–	230,922	2,636	373,363
E Other Central Programmes	4,031	(48,537)	(44,506)	5,500	(34,039)	(28,539)	15,967	(18,426)
F Policy Priorities, International Organisations and Humanitarian	2,483,403	–	2,483,403	2,450,226	33,177	2,483,403	–	1,661,795
G Administration, frontline diplomacy and overseas network	120,413	(11,073)	109,340	118,495	–	118,495	9,155	124,008
H Programme funds and third party activity	862	–	862	–	862	862	–	–
I British Council	52,000	–	52,000	130,000	–	130,000	78,000	–
J Funding for NDPBs within the Departmental Group (Net)	–	–	–	–	–	–	–	–
K Prosperity Fund	4,692	–	4,692	4,149	543	4,692	–	19,394
L Conflict, Stability and Security Fund: Programme expenditure	37,000	–	37,000	37,966	(543)	37,423	423	23,807
M Conflict, Stability and Security Fund: Peacekeeping	–	–	–	–	–	–	–	–
<b>Total Voted DEL</b>	<b>2,930,687</b>	<b>(59,610)</b>	<b>2,871,077</b>	<b>2,977,258</b>	<b>–</b>	<b>2,977,258</b>	<b>106,181</b>	<b>2,183,941</b>

	2020-21							2019-20 Prior Year Outturn Total
	Outturn			Estimate				
	Gross £000	Income £000	Net £000	Total £000	Vire- ments £000	Total Inc. virements £000	Outturn vs Estimate, saving/ (excess) Total Inc. £000	
<b>Non-voted expenditure</b>								
N European Union Attributed Aid	–	–	–	–	–	–	–	–
<b>Total non-voted expenditure</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total spending in DEL</b>	<b>2,930,687</b>	<b>(59,610)</b>	<b>2,871,077</b>	<b>2,977,258</b>	<b>0</b>	<b>2,977,258</b>	<b>106,181</b>	<b>2,183,941</b>
<b>Spending in Annually Managed Expenditure (AME)</b>								
<b>Voted expenditure</b>								
O Other Central Programmes	–	–	–	–	–	–	–	–
P Policy Priorities, International Organisations and Humanitarian	650,000	–	650,000	650,000	–	650,000	–	955,000
Q AME programme	–	–	–	–	–	–	–	–
R Reimbursement of certain duties, taxes and licence fees	–	–	–	–	–	–	–	–
<b>Total non-voted expenditure</b>	<b>650,000</b>	<b>–</b>	<b>650,000</b>	<b>650,000</b>	<b>–</b>	<b>650,000</b>	<b>–</b>	<b>955,000</b>
<b>Total spending in AME</b>	<b>650,000</b>	<b>–</b>	<b>650,000</b>	<b>650,000</b>	<b>–</b>	<b>650,000</b>	<b>–</b>	<b>955,000</b>
<b>Total Capital</b>	<b>3,580,687</b>	<b>(59,610)</b>	<b>3,521,077</b>	<b>3,627,258</b>	<b>0</b>	<b>3,627,258</b>	<b>106,181</b>	<b>3,138,941</b>

The total Estimate columns in both charts include virements. Virements are the reallocation of provision in the Estimates that do not require parliamentary authority (because Parliament does not vote to that level of detail and delegates to HM Treasury). Further information on virements are provided in the Supply Estimates Manual, available on GOV.UK. The outturn vs estimate column is based on the total including virements. The estimate total before virements have been made is included, so that users can tie the estimate back to the Estimates laid before Parliament. Explanations of variances between Estimate and outturn are given in the Financial Review on page 47.

## SOPS 2 Reconciliation of outturn to net operating expenditure

### SOPS 2.1 Reconciliation of net resource outturn to net operating expenditure

	Note	2020-21 Outturn Total £000	2019-20 (Restated) Outturn Total £000
<b>Total Resource Outturn</b>	SoPS 1.1	10,531,298	10,424,596
Capital Grants		2,606,232	1,935,105
Capital Grants in Kind – Expense	3	1,585,521	–
Research and Development		5,634	6,004
Other		21,397	76,243
<b>Total</b>		<b>4,218,784</b>	<b>2,017,352</b>
Income payable to the Consolidated Fund	SoPS 4.1	(750)	(6,247)
Non-voted EU attribution	SoPS 1.1	(522,000)	(475,000)
Net (Profit)/Loss on Disposal		(5,662)	(26,450)
<b>Total</b>		<b>(528,412)</b>	<b>(507,697)</b>
<b>Net Operating Expenditure in SOCNE</b>	SOCNE	<b>14,221,670</b>	<b>11,934,251</b>

As noted in the introduction to the SoPS above, outturn and the Estimates are compiled against the budgeting framework, which is similar to, but different from, IFRS. Therefore, this reconciliation bridges the resource outturn to net operating expenditure, linking the SoPS to the financial statements.

Capital grants are budgeted for as CDEL but accounted for as spend on the face of the SOCNE, and therefore function as a reconciling item between Resource and Net Operating Expenditure. Whilst expenditure shows as an operating cost, it is budget neutral within Capital DEL.

Research and development expenditure that meets the criteria laid down by ESA 10 for National Accounts are recorded as capital in budgets. Where this differs from the treatment in the accounts, where research expenditure is usually expensed in the SOCNE, there is a reconciling item, as shown in SOPS 2.

## SOPS 3 Reconciliation of net resource outturn to net cash requirement

Reconciliation of Departmental Group Net Resource Outturn to Net Cash Requirement	Note	2020-21			2019-20 Restated)
		Outturn Total £000	Estimate £000	Saving/ (Excess) £000	Outturn Total £000
<b>Resource Outturn</b>	SoPS 1.1	<b>10,531,298</b>	<b>10,644,686</b>	<b>113,388</b>	<b>10,424,596</b>
<b>Capital Outturn</b>	SoPS 1.2	<b>3,521,077</b>	<b>3,627,258</b>	<b>106,181</b>	<b>3,138,941</b>
<b>Accruals to Cash Adjustments</b>					
Adjustments for designated ALBs:					
Remove voted resource and capital		(34,424)	(35,649)	(1,225)	(37,010)
Add cash grant-in-aid	3	31,756	35,626	3,870	34,577
Adjustments to remove non-cash items:					–
Depreciation/Amortisation	3	(172,757)	(265,227)	(92,470)	(166,958)
New provisions and adjustments to previous provisions	11	(511,327)	(705,209)	(193,882)	(28,965)
New impairments and adjustments to previous impairments	3	(117,069)	–	117,069	(15,888)
Other non-cash items (except profit on disposal of PPE)		(1,755,884)	(78,126)	1,677,758	(40,355)
Capital Grant In Kind	3	1,585,521	–	(1,585,521)	–
Adjustments to reflect movements in working balances					
Increase/(decrease) in inventory	CSofP	(48)	–	48	70
Increase/(decrease) in receivables	9	(20,028)	–	20,028	37,359
(Increase)/decrease in payables	10	(422,494)	150,000	572,494	524,270
Less movement in CFER not passed through Resource Outturn		125,251	–	(125,251)	(12,442)
Use of provisions	11	159,567	169,849	10,282	153,641
Adjustments re pension schemes		2,207	–	(2,207)	306
Other Adjustments		3,177	–	(3,177)	(3,394)
<b>Total</b>		<b>12,925,823</b>	<b>13,543,208</b>	<b>617,385</b>	<b>14,008,748</b>
<b>Removal of Non-Voted Budget Items</b>					
Consolidated Fund Standing Services		(522,000)	(521,090)	910	(475,000)
<b>Total</b>		<b>(522,000)</b>	<b>(521,090)</b>	<b>910</b>	<b>(475,000)</b>
<b>Net Cash Requirement</b>		<b>12,403,823</b>	<b>13,022,118</b>	<b>618,295</b>	<b>13,533,748</b>

As noted in the introduction to the SoPS above, outturn and the Estimates are compiled against the budgeting framework, not on a cash basis. Therefore, this reconciliation bridges the resource and capital outturn to the net cash requirement. Explanations of variances between Estimate and outturn are given in the Financial Review on page 47.

## SOPS 4 Income payable to the Consolidated Fund

In addition to income retained by the FCDO, the following income relates to the FCDO and is payable to the Consolidated Fund. This note shows excess cash that is payable to the Consolidated Fund as at year end. The disclosure splits the total payable to the Consolidated fund by a) income received that is either outside the ambit of the Estimate or which cannot be retained as it is outside the FCDO's settlement limit and b) other excess cash that has not been spent and which must be returned to the Consolidated Fund.

### SOPS 4.1 Analysis of income payable to the Consolidated Fund

	Note	2020-21 Outturn Total		2019-20 (Restated) Outturn Total	
		Accruals basis £000	Cash basis £000	Accruals basis £000	Cash basis £000
Operating income outside the ambit of the Estimate	SoPS 2	(750)	(750)	(6,247)	(6,247)
Excess cash surrenderable to the Consolidated Fund		–	–	–	–
<b>Total amount payable to the Consolidated Fund</b>		<b>(750)</b>	<b>(750)</b>	<b>(6,247)</b>	<b>(6,247)</b>

Income can be included as part of the Estimate (detailed in note 1) and used to fund expenditure. However, where the type of income is not one which an entity can retain (i.e. if it is not included in its ambit as part of the Estimate) or where income received exceeds settlement limits (or the amount of income an entity can retain to offset spend), then the income is payable to the Consolidated fund.

Income due to the Consolidated Fund is therefore, shown as a reconciling item in SOPS note 2. The total CFER's payable to the Consolidated Fund are disclosed as part of the Statement of Changes in Taxpayers' Equity (SOCTE) in the Financial Statements.

The disclosure shows cash payable both on an accruals basis and on a cash basis (which may differ given budgets are compiled on an accruals basis and not a cash basis).

**SOPS 4.2 Consolidated Fund Income**

Consolidated Fund income shown in note SOPS 4.1 above does not include any amounts collected by the FCDO where it was acting as agent for the Consolidated Fund rather than as principal. Of the various types of Consular Fees, only one is surrendered to the Consolidated Fund. This is the Notarial & Documentary Services line in the Consular Fees table on page 157. Fees are set by Statutory Instrument under the Consular Fees Act 1980.

The amounts collected as agent for the Consolidated Fund (which are excluded from the FCDO's income) were:

	<b>2020-21 Outturn Total £000</b>	<b>2019-20 Outturn Total £000</b>
Consular fees	955	1,548
Miscellaneous income	3	11
Amount payable to the Consolidated Fund	958	1,559
Balance held at the start of the year	260	376
	1,218	1,935
Payments into the Consolidated Fund	(998)	(1,675)
<b>Balance held on trust at the end of the year</b>	<b>220</b>	<b>260</b>

## Parliamentary Accountability Disclosures

### Losses and special payments (audited)

#### Losses statement

	2020-21	2019-20
Total number of losses	59	78
Total value of losses (£000)	1,420	1,434

All figures above relate to the FCDO. No additional losses were reported within the wider Departmental Group.

The only constructive loss greater than £300,000 during the year related to realised foreign exchange loss arising from the day-to-day management of global operations (£1,039k). The remainder of cases related to a variety of losses and fruitless payments in relation to lost IT and mobile equipment, missed travel and training courses (largely due to COVID-19 restrictions) and some programme-related stolen and looted assets. The FCDO takes a robust approach to pursuing loss recovery.

#### Special payments

Special payments are transactions outside the normal range of departmental activity that require specific HM Treasury approval. All special payments reported below have been authorised by HM Treasury.

	2020-21	2019-20
Total number of special payments	16	8
Total value of special payments (£000)	1,231	10,300

All figures above relate to the FCDO. No additional special payments were reported within the wider Departmental Group.

There was one special payment greater than £300,000 during the year relating to a £488k payment to Adam Smith International in relation to a procurement in Nigeria. The remaining special payments were in relation to extra contractual and compensation payments.

There were two severance payments made in the year totalling £34,618. The highest payment was £17,742 and the lowest payment was £16,876.

#### Fraud

Information on fraud, loss and error is submitted to the Cabinet Office on a quarterly basis through the Consolidated Data Return. This information is then published in the cross-government fraud landscape annual report. Details on FCDO fraud loss and recovery is available via the following link: [www.gov.uk/guidance/fraud-statistics](http://www.gov.uk/guidance/fraud-statistics).

#### Gifts

For the year ended 31 March 2021, there were no gifts that exceeded £300k.

#### Regularity (subject to audit)

For the Financial Year ended 31 March 2021, no FCDO staff authorised a course of action that infringed the requirements of regularity as set out in Managing Public Money. HM Treasury (HMT) approval was obtained for all novel, contentious or repercussive transactions relating to 2020-21.

## **Fees and Charges (subject to audit)**

The FCDO is required, in accordance with HM Treasury's Managing Public Money, to disclose results for the areas of its activities where fees and charges are levied. The information set out below is for fees and charges purposes and is not intended to meet the requirements of IFRS 8 Operating Segments.

The power to charge fees for consular work is set out in the Consular Fees Act 1980. Under the current version of the Act, the FCDO is permitted to take into account the expenses incurred in relation to exercising other consular functions. By policy, there is a cross-subsidy from consular fees in the UK to support the costs of consular services and issuing emergency travel documents overseas. The current fees are prescribed in the Consular Fees (Amendment) Order 2016 No. 373 and the Consular Fees (Amendment) Order 2019 No. 182. In line with HM Treasury guidelines, the fees charged are reviewed annually.

The fees and charges table lists the services the FCDO provides to external and public sector customers, where the full cost to the FCDO exceeds £1 million. It is the FCDO's financial objective to recover the full cost of providing consular services. Disclosed in the table for each service is the income received, the full cost incurred and the amount of any surplus or deficit between the income received and the full cost of providing the services. Surpluses and deficits can arise for a number of reasons, including demand fluctuations or variations to FCDO costs during the year.

The fees are grouped into three categories: Legalisation fees include those fees paid for legalising documents; the fees for Emergency Travel Documents and Emergency Passports; and Notarial and Documentary Services. Notarial and

Documentary services include services such as administering an oath, or issuing a certificate of no impediment to marriage.

## **Consular Premiums**

The table also includes income received from the consular premium (a levy of £15.50 on each standard passport issued). This income is used to fund non-fee bearing consular services provided by our consular officers in London and in our Embassies and Consulates overseas. This income is claimed from HMT through the Supplementary Estimate process each year.

The FCDO may also receive funding from the Emergency Disaster Relief Fund (EDRF) which is £0.69 on each standard passport issued, to contribute to the cost of responding to major crises overseas. Claims against this fund are calculated on a cost recovery basis. The FCDO could have submitted a claim for £13.8 million in Financial Year 2020-21 for COVID-19 crisis costs but withdrew the claim due to emerging underspends within wider FCDO budgets. This complies with HMT guidance that claims on the Reserve are subject to an assessment of need, realism, and affordability.

COVID-19 impacted overseas operations, which resulted in the FCDO incurring a deficit of £92 million in consular fees and charges in 2020-21. This included reduced income in passport premium, lower demand of legislative office services and reduced in-person services.

## Analysis of Consular Fees and Charges

	2020-21 £000			2019-20 £000		
	Income	Full Cost	Surplus/ (Deficit)	Income	Full Cost	Surplus/ (Deficit)
Legalisation Office	14,086	3,427	10,659	20,130	3,804	16,326
Emergency Travel Documents	432	15,152	(14,720)	3,104	12,152	(9,048)
Notarial & Documentary Services	955	7,871	(6,916)	1,548	6,286	(4,738)
<b>Total for fee-bearing services</b>	<b>15,473</b>	<b>26,450</b>	<b>(10,977)</b>	<b>24,782</b>	<b>22,242</b>	<b>2,540</b>
Consular Premiums <sup>102</sup> & EDRF	69,066			84,033		
Consular and Crisis Assistance and Support		150,175	(81,109)		96,342	(12,309)
<b>Total</b>	<b>84,539</b>	<b>176,625</b>	<b>(92,086)</b>	<b>108,815</b>	<b>118,584</b>	<b>(9,769)</b>

### Financial Guarantees and Indemnities

The UK Government agreed to provide a loan guarantee for a lending facility up to £500m to the Government of Gibraltar in response to the Chief Minister of Gibraltar's request for financial support. In December 2020, FCDO entered into an agreement with the Government of Gibraltar to guarantee its repayments to the bank on any draw down from a credit facility up to the maximum of £500m. The guarantee allowed Gibraltar to borrow from the market at a favourable interest rate and therefore there is a measurable fair value to the guarantee. The fair value of the financial guarantee contract has been assessed as £105 million.

The FCDO issued Letters of Comfort for Financial Year 2019-20 to the following Arm's Length Bodies: FCDO Services,

Wilton Park Agency (WP), Great Britain China Centre (GBCC), Marshall Aid Commemoration Commission (MACC), Westminster Foundation for Democracy Limited (WFD) and the British Council. The Letters of Comfort give assurance to the ALBs that the FCDO will provide them with sufficient financial resources in order to ensure they can meet their financial obligations and they can continue as a going concern, for at least 12 months from the date that their 2019-20 accounts were certified by the Comptroller & Auditor General.

The FCDO issued Letters of Comfort for the Financial Year 2020-21 to the following ALBs: WP, GBCC and WFD. The Letters of Comfort give assurance to the ALBs that the FCDO continue to provide support by providing adequate financial assistance (as needed) to enable them to continue

<sup>102</sup> Consular Premiums are the levy on each passport issued

operating as a going concern, for a period of at least twelve months from the date that their 2020-21 accounts are certified by the Comptroller & Auditor General. The 2020-21 accounts were signed in July 2021 and the FCDO commitment remains valid until July 2022. It is not currently possible to estimate the financial impact, if any, of these Letters of Comfort.

The FCDO has entered into the following quantifiable contingent liabilities by offering indemnities. These are given on behalf of the British Council for art exhibitions overseas which are not commercial activities that fall outside the FCDO's core activities.

Any decision to offer an indemnity is only given on the basis of a cost-benefit analysis. As part of the agreement between FCDO, British Council and HMT, the British Council will meet the first £3 million of any claim. These liabilities have increased from £3k as at 1 April 2020 to £245.5k as at 31 March 2021. None of these is a contingent liability within the meaning of IAS 37, since the likelihood of a transfer of economic benefit in settlement is too remote. They are disclosed here under parliamentary reporting requirements and are measured following the requirements of IFRS 9.

### **Indemnities**

<b>1 April 2020 (£000)</b>	<b>Increase in year (£000)</b>	<b>Liabilities crystallised in year (£000)</b>	<b>Obligations expired in year (£000)</b>	<b>31 March 2021 (£000)</b>	<b>Amount reported to Parliament by Departmental Minute (£000)</b>
3	242.5	0	0	245.5	0

### **Remote contingent liabilities (audited)**

In addition to contingent liabilities disclosed in accordance with IAS 37 at note 12.1 of the accounts, the department discloses for parliamentary reporting and accountability purposes, certain contingent liabilities where the likelihood of a transfer of economic benefit is remote. These amount to £14,457.7 million (2019-20: £16,566.4 million) and comprise:

- £14,220.8 million (2019-20 £16,327.6 million) in respect of callable capital on investments in International Financial Institutions (IFIs). These are subject to call only when required and to the extent necessary to meet the obligations of the IFIs on borrowings of

funds or guarantees. The equity base of each IFI allows the institutions to meet their financial objectives by absorbing risk out of their own resources and protecting member countries from a possible call on callable capital. No call has ever been made on the IFIs' callable capital stock to date.

- £46.1 million (2019-20: £51.3 million) through the issuance of a promissory note for maintenance of value obligations in respect of subscriptions already paid to the capital stock of the International Bank for Reconstruction and Development (IBRD). Members are required to make payments to IBRD if their currencies (Sterling for UK) depreciate significantly from the subscription date, relative to the US Dollar. This promissory note has never been drawn down.

- £190.8 million (2019-20: £187.5 million) in respect of the UK share of EU member states' collective guarantees of the European Investment Bank's lending under the Lomé Convention and the parallel Council decisions on the Association of Overseas Countries and Territories. Prior to any call on member states, the European Investment Bank must first exhaust its own capital resources and so a call is considered remote.

The department has entered into other unquantifiable contingent liabilities relating to maintenance of the value of subscriptions paid to capital stock of regional development banks and funds. None of these is a contingent liability within the meaning of IAS 37 since the likelihood of a transfer of economic value is considered too remote. The FCDO does not expect any liabilities to arise in relation to these contingent liabilities.

### **Audit Fees**

The Accounts have been audited by the Comptroller and Auditor General. The audit fee for the Core Department is £875,000 (2019-20: £660,000) in total. The non-cash audit fee for the Wilton Park Agency was £29,000 (2019-20: £29,000). The non-cash audit fee for the FCDO Overseas Superannuation Schemes was £82,000 (2019-20: £39,000). The total cost of audit for all the bodies across the departmental Group is £1,033,050 of which £47,050 is a cash charge and £986,000 is a notional charge (2019-20: total £768,000 comprising £40,000 cash costs and £728,000 notional charge). The audit of the designated bodies was carried out by the National Audit Office under various statutes, and the costs are included in the figures disclosed above. Further details are given in the accounts of the bodies concerned.

The FCDO directly paid the NAO £7,660 in 2020-21, with the NAO also receiving fees indirectly from the FCDO of £60,668 for work sub-contracted by CPA UK for Q1-Q4 overseas territories work. For comparison, in 2019-20 the NAO received fees from the FCDO totalling £83,789 (£35,980 direct and £47,809 indirect). This figure included an accrual for £14,776 which was subsequently billed as £14,215 during 2020-21.

The FCDO is in discussion with the NAO about it contributing to the Partnerships for Development programme in future, for which FCDO would pay a fee, but no agreement is yet in place and no monies have been paid under this arrangement. The fee is expected to be around £100k.

### **Going Concern**

In common with other government departments, the future financing of the department's liabilities is to be met by the funding from Parliament. This is through the receipt of Supply financing and future income which are approved annually by Parliament by the passing of Supply and Appropriation (Main Estimates) Act. The department considers there is no reason to believe that future approvals will not be forthcoming. It has accordingly been considered appropriate to adopt a going concern basis for the preparation of these financial statements.

### **Common Core Tables (unaudited)**

The core tables for the FCDO can be found in Annex C.

### **Sir Philip Barton KCMG OBE**

Accounting Officer for the Foreign, Commonwealth and Development Office

17 September 2021

# The Certificate and Report of the Comptroller and Auditor General to the House of Commons

## Opinion on financial statements

I certify that I have audited the financial statements of the Foreign, Commonwealth and Development Office and of its Departmental Group for the year ended 31 March 2021 under the Government Resources and Accounts Act 2000. The Department comprises the core Department and its agencies. The Departmental Group consists of the Department and the bodies designated for inclusion under the Government Resources and Accounts Act 2000 (Estimates and Accounts) Order 2020. The financial statements comprise: the Department's and Departmental Group's Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity; and the related notes, including the significant accounting policies. These financial statements have been prepared under the accounting policies set out within them. The financial reporting framework that has been applied in their preparation is applicable law and International Accounting Standards as interpreted by HM Treasury's Government Financial Reporting Manual.

I have also audited the Statement of Parliamentary Supply and the related notes, and the information in the Accountability Report that is described in that report as having been audited.

In my opinion, the financial statements:

- give a true and fair view of the state of the Department's and the Departmental Group's affairs as at 31 March 2021 and of the Department's net expenditure and Departmental Group's net expenditure for the year then ended; and
- have been properly prepared in accordance with the Government Resources and Accounts Act 2000 and HM Treasury directions issued thereunder.

## Opinion on regularity

In my opinion, in all material respects:

- the Statement of Parliamentary Supply properly presents the outturn against voted Parliamentary control totals for the year ended 31 March 2021 and shows that those totals have not been exceeded; and
- the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

## Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK), applicable law and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's Revised Ethical Standard 2019. I have also elected to apply the ethical standards relevant to listed entities. I am independent of the Foreign, Commonwealth and Development Office in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

## Conclusions relating to going concern

In auditing the financial statements, I have concluded that the Foreign, Commonwealth and Development Office's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Foreign, Commonwealth and Development Office's ability to continue as a going concern for a period of at least twelve months from when

the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for the Foreign, Commonwealth and Development Office is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which requires entities to adopt the going concern basis of accounting in the preparation of the financial statements where it anticipated that the services which they provide will continue into the future.

## Other Information

The other information comprises information included in the Annual Report, but does not include the parts of the Accountability Report described in that report as having been audited, the financial statements and my auditor's certificate thereon. The Accounting Officer is responsible for the other information. My opinion on the financial statements does not cover the other information and except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon. In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have

performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

### **Opinion on other matters**

In my opinion, based on the work undertaken in the course of the audit:

- the parts of the Accountability Report to be audited have been properly prepared in accordance with HM Treasury directions made under the Government Resources and Accounts Act 2000; and
- the information given in the Performance and Accountability Reports for the financial year for which the financial statements are prepared is consistent with the financial statements.

### **Matters on which I report by exception**

In the light of the knowledge and understanding of the Foreign, Commonwealth and Development Office and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance and Accountability Reports. I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept or returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements and the parts of the Accountability Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by HM Treasury's Government

Financial Reporting Manual are not made; or

- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

### **Responsibilities of the Accounting Officer for the financial statements**

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for:

- the preparation of the financial statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- internal controls as the Accounting Officer determines is necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error; and
- assessing the Foreign, Commonwealth and Development Office's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer anticipates that the services provided by the Foreign, Commonwealth and Development Office will not continue to be provided in the future.

### **Auditor's responsibilities for the audit of the financial statements**

My responsibility is to audit, certify and report on the financial statements in accordance with the Government Resources and Accounts Act 2000.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a certificate that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulation, including fraud.

My procedures included the following:

- Inquiring of management, the Foreign, Commonwealth and Development Office's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the Foreign, Commonwealth and Development Office's policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and

- the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the Foreign, Commonwealth and Development Office's and group's controls relating to the Government Resources and Accounts Act 2000 and Managing Public Money.
- discussing among the engagement team and involving relevant internal and or external specialists, including land and building valuations regarding how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud in the following areas: revenue recognition, posting of unusual journals, bias in significant management estimates and disbursement of overseas programme funds, particularly in fragile or conflict areas;
- obtaining an understanding of the Foreign, Commonwealth and Development Office's and group's framework of authority as well as other legal and regulatory frameworks that the Foreign, Commonwealth and Development Office and group operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the Foreign, Commonwealth and Development Office and group. The key laws and regulations I considered in this context included the Government Resources and Accounts Act 2000, Managing Public Money, Supply and Appropriation (Main Estimates) Act 2020, Employment Law, tax Legislation, the International Development Act 2002, the International Development (Reporting and Transparency) Act 2006, the International Development (Official Development Assistance Target) Act 2015 and the Consular Fees Act 1980; and

- specific consideration of the effectiveness of the Foreign, Commonwealth and Development Office's processes and controls to prevent, detect and evaluate fraud in overseas programme funds including targeted country programme reviews.

In addition to the above, my procedures to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management, the Audit Committee and in-house legal counsel concerning actual and potential litigation and claims;
- reading minutes of meetings of those charged with governance and the Board;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business; and
- assessment of the results, and effectiveness of, the Foreign, Commonwealth and Development Office's evaluation of fraud in overseas programme funds. This included assessing reported fraud cases, seeking evidence as to the potential for unreported fraud and independently testing a sample of grant payments.

I also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists and significant component audit teams and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my certificate.

I am required to obtain evidence sufficient to give reasonable assurance that the Statement of Parliamentary Supply properly presents the outturn against voted Parliamentary control totals and that those totals have not been exceeded. The voted Parliamentary control totals are Departmental Expenditure Limits (Resource and Capital), Annually Managed Expenditure (Resource and Capital), Non-Budget (Resource) and Net Cash Requirement. I am also required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

## Report

I have no observations to make on these financial statements.

### **Gareth Davies**

Comptroller and Auditor General  
National Audit Office  
157-197 Buckingham Palace Road  
Victoria  
London  
SW1W 9SP

21 September 2021

# Section 3: Financial Statements



# Consolidated Statement of Comprehensive Net Expenditure

	Note	2020-21		2019-20 (Restated) <sup>[1]</sup>	
		Core Department & Agencies £000	Departmental Group £000	Core Department & Agencies £000	Departmental Group £000
Revenue from contracts with customers	4	(257,244)	(257,579)	(276,311)	(277,169)
Effective Interest Rate (EIR) Interest Income	4	(36,762)	(36,762)	(36,368)	(36,368)
Other operating income	4	(5,392)	(5,392)	(5,915)	(5,915)
<b>Total Operating Income</b>		<b>(299,398)</b>	<b>(299,733)</b>	<b>(318,594)</b>	<b>(319,452)</b>
<b>Operating Expenditure</b>					
Staff costs	3	834,268	838,134	789,297	792,909
Grants	3	7,691,626	7,717,434	7,892,689	7,936,950
Promissory note deposits	3	1,515,283	1,515,283	1,395,069	1,395,069
Subscriptions to international organisations	3	190,235	190,235	156,447	156,447
Rentals under operating leases	3	140,975	140,975	143,854	143,854
Other costs	3	1,588,687	1,570,786	1,680,978	1,646,442
Depreciation, Amortisation and impairment	3	289,814	289,826	181,859	181,920
Capital Grant in Kind	3	1,585,521	1,585,521	–	–
Non-cash costs	3	673,200	673,209	107	112
<b>Total operating expenditure</b>		<b>14,509,609</b>	<b>14,521,403</b>	<b>12,240,300</b>	<b>12,253,703</b>
<b>Net Operating Expenditure</b>		<b>14,210,211</b>	<b>14,221,670</b>	<b>11,921,706</b>	<b>11,934,251</b>
<b>Other Income</b>					
Finance income	4	(4,825)	(4,825)	(26,857)	(26,857)
Consolidated Fund Extra Receipts	4	(750)	(750)	(3,514)	(3,514)
Income of consolidated bodies	4	(2,683)	(14,587)	(3,860)	(16,675)
		<b>(8,258)</b>	<b>(20,162)</b>	<b>(34,231)</b>	<b>(47,046)</b>
(Gain)/Loss on Transfer of Function		–	–	–	(2,574)
<b>Net Expenditure for the Year</b>		<b>14,201,953</b>	<b>14,201,508</b>	<b>11,887,475</b>	<b>11,884,631</b>
Total Operating Expenditure	3	14,509,609	14,521,403	12,240,300	12,251,129
<b>Total Income</b>	4	<b>(307,656)</b>	<b>(319,895)</b>	<b>(352,825)</b>	<b>(366,498)</b>
<b>Net Expenditure for the Year</b>		<b>14,201,953</b>	<b>14,201,508</b>	<b>11,887,475</b>	<b>11,884,631</b>
<b>Other Comprehensive Net Expenditure</b>					
Items that will not be reclassified to net operating expenditure:					
Net (gain)/loss on:					
Revaluation of property, plant and equipment	5	111,288	111,288	(123,908)	(124,091)
Revaluation of assets held for sale	5	1,980	1,980	77	77
Actuarial (gain)/loss on defined benefit pension schemes	13	1,698	1,698	(1,417)	(1,417)
Revaluation of intangible assets		–	–	(4)	(4)
		114,966	114,966	(125,252)	(125,435)

	Note	2020-21		2019-20 (Restated) <sup>[1]</sup>	
		Core Department & Agencies £000	Departmental Group £000	Core Department & Agencies £000	Departmental Group £000
Items which may be reclassified to net operating expenditure:					
Net (gain)/loss on:					
Revaluation of Development Capital Investments	6	7,590	7,590	1,982	1,982
Revaluation of International Financial Institution investments	6	260,926	260,926	(171,564)	(171,564)
Revaluation of investment in CDC	6	(48,800)	(48,800)	702,700	702,700
		219,716	219,716	533,118	533,118
<b>Total Comprehensive Net Expenditure</b>		<b>14,536,635</b>	<b>14,536,190</b>	<b>12,295,341</b>	<b>12,292,314</b>

The notes following these main schedules form part of these financial statements.

- [1] FCDO includes core department and associated entities inside the departmental accounting boundaries set out in note 17.
- [2] Comparatives for prior periods has been restated to reflect the merger of Department for International Development and Foreign Commonwealth Office. (See note 1.3 Machinery of Government Changes and Note 18 – Impact of Restatement.)
- [3] Further analysis of staff costs can be found in the Staff report in the Accountability Report on page 132.

# Consolidated Statement of Financial Position

This statement presents the financial position of the FCDO as at 31 March 2021.

	Note	31 March 2021		31 March 2020 (Restated) <sup>[1]</sup>		1 April 2019 (Restated) <sup>[1]</sup>	
		Core Department & Agencies £000	Departmental Group £000	Core Department & Agencies £000	Departmental Group £000	Core Department & Agencies £000	Departmental Group £000
<b>Non-Current Assets</b>							
Property, Plant and Equipment	5	2,565,043	2,565,044	3,103,049	3,103,225	3,017,554	3,018,864
Intangible Assets		9,707	9,707	10,081	10,082	10,892	11,013
Financial Investments	6	10,618,691	10,618,691	11,355,273	11,355,273	10,826,769	10,826,769
Forward currency contracts	7	–	–	16,495	16,495	–	–
Retirement Benefit Schemes Asset	13	3,347	3,347	3,813	3,813	2,322	2,322
Trade and Other Receivables	9	1,004,362	1,004,362	1,018,677	1,018,563	1,014,463	1,014,463
<b>Total Non-Current Assets</b>		<b>14,201,150</b>	<b>14,201,151</b>	<b>15,507,388</b>	<b>15,507,451</b>	<b>14,872,000</b>	<b>14,873,431</b>
<b>Current Assets</b>							
Assets classified as held for sale	5.1	21,547	21,547	15,216	15,216	10,617	10,617
Inventories		949	949	997	997	927	927
Trade and other receivables	9	375,595	376,836	387,641	390,403	356,881	359,719
Cash and cash equivalents	8	215,442	222,327	91,859	96,212	193,918	198,492
Contract Assets	9	43,416	43,879	36,139	36,139	33,754	33,754
Forward currency contracts	7	392	392	22,059	22,059	7,022	7,022
<b>Total Current Assets</b>		<b>657,341</b>	<b>665,930</b>	<b>553,911</b>	<b>561,026</b>	<b>603,119</b>	<b>610,531</b>
<b>Total Assets</b>		<b>14,858,491</b>	<b>14,867,081</b>	<b>16,061,299</b>	<b>16,068,477</b>	<b>15,475,119</b>	<b>15,483,962</b>
<b>Current Liabilities</b>							
Bank overdraft	8	(4,302)	(4,302)	(5,971)	(5,971)	(280)	(280)
Contract Liabilities	10	(7,443)	(8,817)	(4,775)	(4,775)	(24,146)	(24,146)
Forward currency contracts	7	(11,351)	(11,351)	(949)	(949)	(3,177)	(3,177)
Trade and Other Payables	10	(6,926,873)	(6,930,842)	(6,498,109)	(6,501,899)	(6,998,178)	(7,005,302)
Provisions	11	(166,520)	(166,520)	(177,526)	(177,526)	(167,638)	(167,858)
<b>Total Current Liabilities</b>		<b>(7,116,489)</b>	<b>(7,121,832)</b>	<b>(6,687,330)</b>	<b>(6,691,120)</b>	<b>(7,193,419)</b>	<b>(7,200,763)</b>
<b>Total Asset less Current Liabilities</b>		<b>7,742,002</b>	<b>7,745,249</b>	<b>9,373,969</b>	<b>9,377,357</b>	<b>8,281,700</b>	<b>8,283,199</b>

	Note	31 March 2021		31 March 2020 (Restated) <sup>[1]</sup>		1 April 2019 (Restated) <sup>[1]</sup>	
		Core Department & Agencies £000	Departmental Group £000	Core Department & Agencies £000	Departmental Group £000	Core Department & Agencies £000	Departmental Group £000
<b>Non-Current Liabilities</b>							
Trade and Other Payables	10	(39,379)	(39,379)	(49,870)	(49,870)	(51,366)	(51,366)
Retirement Benefit Schemes Liability	13	(25,257)	(25,257)	(26,231)	(26,231)	(26,463)	(27,897)
Forward currency contracts	7	(7,085)	(7,085)	(756)	(756)	(2,649)	(2,649)
Financial Guarantee		(105,000)	(105,000)	–	–	–	–
Provisions	11	(1,043,845)	(1,043,845)	(684,769)	(684,769)	(818,150)	(818,399)
<b>Total Non-Current Liabilities</b>		<b>(1,220,566)</b>	<b>(1,220,566)</b>	<b>(761,626)</b>	<b>(761,626)</b>	<b>(898,628)</b>	<b>(900,311)</b>
<b>Total Assets less Liabilities</b>		<b>6,521,436</b>	<b>6,524,683</b>	<b>8,612,343</b>	<b>8,615,731</b>	<b>7,383,072</b>	<b>7,382,888</b>
<b>Tax-payers Equity and Other Reserves</b>							
General Fund		452,122	455,369	880,174	883,562	(820,318)	(820,320)
Revaluation Reserve		6,069,314	6,069,314	7,732,169	7,732,169	8,203,390	8,203,208
<b>Total Equity</b>		<b>6,521,436</b>	<b>6,524,683</b>	<b>8,612,343</b>	<b>8,615,731</b>	<b>7,383,072</b>	<b>7,382,888</b>

[1] FCDO includes core department and associated entities inside the departmental accounting boundaries set out in note 17. The Departmental Group includes bodies outside the boundary as detailed in note 17.

Comparative figures at 1 April 2019, 31 March 2019 and 31 March 2020 have been re-stated to reflect the merger of Department for International Development and the Foreign Commonwealth Office to form Foreign Commonwealth Development Office (See note 1.3 Machinery of Government Changes and Note 18 – Impact of Restatement.)

The notes following these main schedules form part of these financial statements.

### Sir Philip Barton KCMG OBE

Accounting Officer for the Foreign,  
Commonwealth and Development Office

17 September 2021

# Consolidated Statement of Cash Flow

	Note	2020-21		2019-20 (Restated)	
		Core Department & Agencies £000	Departmental Group £000	Core Department & Agencies £000	Departmental Group £000
<b>Cash Flows from Operating Activities</b>					
Net Expenditure for the Year	SOCNE	(14,201,953)	(14,201,508)	(11,887,475)	(11,884,631)
Adjustments for non-Cash Transactions		948,080	947,708	221,223	220,528
Adjustment for grant in kind	3	1,585,521	1,585,521	–	–
(Increase)/Decrease in Trade and Other Receivables	9	19,084	20,028	(37,359)	(37,169)
Less Movements in Receivables relating to items not passing through the SOCNE		(677)	(677)	19,128	20,197
(Increase)/Decrease in Inventories		48	48	(70)	(70)
Increase/(Decrease) in Trade Payables	10	420,941	422,494	(520,936)	(524,270)
Less Movements in Payables relating to items not passing through the SOCNE		(122,444)	(122,444)	4,251	4,135
Use of Provisions	11	(159,529)	(159,567)	(153,641)	(153,641)
Adjustment to replace Defined Benefit Pension Scheme SOCNE charge with cash payments	13	(2,207)	(2,207)	(306)	(306)
<b>Net Cash Outflow from Operating Activities</b>		<b>(11,513,136)</b>	<b>(11,510,604)</b>	<b>(12,355,185)</b>	<b>(12,355,227)</b>
<b>Cash Flows from Investing Activities</b>					
Purchase of Property, Plant and Equipment	5	(116,000)	(116,000)	(156,833)	(157,048)
Purchase of Intangible Assets		(2,870)	(2,870)	(2,824)	(2,827)
Proceeds from Disposal of Property, Plant and Equipment		11,307	11,307	40,442	40,481
Proceeds of disposal of financial investments		1,998	1,998	2,369	2,369
Additions to financial investments	6	(797,868)	(797,868)	(1,072,057)	(1,072,057)
Repayment from other bodies		16,603	16,603	16,602	16,602
Loan payments to Other Bodies	6	(1,156)	(1,156)	(927)	(927)
<b>Net Cash Outflow from Investing Activities</b>		<b>(887,986)</b>	<b>(887,986)</b>	<b>(1,173,228)</b>	<b>(1,173,407)</b>
<b>Cash Flows from Financing Activities</b>					
From the Consolidated Fund (Supply) – current year	CSCTE	12,531,847	12,531,847	13,426,731	13,426,731
From the Consolidated Fund (Supply) – prior year		–	–	–	–
Capital Element of Payments of Finance Leases and On-Balance Sheet (SoFP) PFI Contracts		(1,950)	(1,950)	(1,762)	(1,762)
Cash (released)/acquired on transfer of function by absorption		–	–	(26)	(26)
<b>Net Financing</b>		<b>12,529,897</b>	<b>12,529,897</b>	<b>13,424,943</b>	<b>13,424,943</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents in the period before Adjustment for Receipts and Payments to the Consolidated Fund</b>		<b>128,775</b>	<b>131,307</b>	<b>(103,470)</b>	<b>(103,691)</b>

	Note	2020-21		2019-20 (Restated)	
		Core Department & Agencies £000	Departmental Group £000	Core Department & Agencies £000	Departmental Group £000
Payments of Amounts Due to the Consolidated Fund		(4,481)	(4,481)	(5,839)	(5,839)
Receipts of Amounts as agent of the Consolidated Fund	SoPS 4.2	958	958	1,559	1,559
<b>Net Increase/(Decrease) in Cash and Cash Equivalents in the period after Adjustment for Receipts and Payments to the Consolidated Fund</b>		<b>125,252</b>	<b>127,784</b>	<b>(107,750)</b>	<b>(107,971)</b>
<b>Cash and Cash Equivalents at the beginning of the period</b>	8	85,888	90,241	193,638	198,212
<b>Cash and Cash Equivalents at the end of the period</b>	8	211,140	218,025	85,888	90,241

The notes following these main schedules form part of these financial statements.

The department held cash of £80m collected on behalf of UKVI at 31 March 2021. These were paid into the FCDO's bank accounts as foreign currency, and will subsequently be paid over to UKVI in Sterling. As such they are included in cash held by the Core Department, as set out in note 8.

# Consolidated Statement of Changes in Taxpayers' Equity

	Note	Core Department & Agencies			Departmental Group		
		General Fund £000	Revaluation Reserve £000	Total £000	General Fund £000	Revaluation Reserve £000	Total £000
<b>Balance at 31 March 2019</b>	CSoFP	<b>(820,318)</b>	<b>8,203,390</b>	<b>7,383,072</b>	<b>(820,320)</b>	<b>8,203,208</b>	<b>7,382,888</b>
Net Parliamentary Funding – drawn down		13,426,731	–	13,426,731	13,426,731	–	13,426,731
Net Parliamentary Funding – deemed		189,912	–	189,912	189,912	–	189,912
Supply Receivable/ (payable) Adjustment	10	(82,896)	–	(82,896)	(82,896)	–	(82,896)
CFER's Payable to the Consolidated Fund	SOPS 4.1	(6,247)	–	(6,247)	(6,247)	–	(6,247)
Net expenditure for the year	SOCNE	(11,887,475)	(533,118)	(12,420,593)	(11,884,631)	(533,118)	(12,417,749)
Net Gain/(loss) on Revaluation of PPE	SOCNE	–	123,908	123,908	–	124,091	124,091
Net Gain/(Loss) on Revaluation of Intangibles		–	4	4	–	4	4
Net Gain/(Loss) on Revaluation of Assets Held for Sale	SOCNE	–	(77)	(77)	–	(77)	(77)
Net Gain/(Loss) on Foreign Exchange		(3,284)	–	(3,284)	(3,284)	–	(3,284)
Actuarial Gain/(Loss) on Defined Benefit Pension Schemes	SOCNE	1,417	–	1,417	1,417	–	1,417
		<b>1,638,158</b>	<b>(409,283)</b>	<b>1,228,875</b>	<b>1,641,002</b>	<b>(409,100)</b>	<b>1,231,902</b>
<b>Non-cash adjustments</b>							
Non-Cash Charges – Auditors Remuneration	3	728	–	728	728	–	728
<b>Movements in Reserves</b>							
Realised element to General Fund		61,938	(61,938)	–	61,938	(61,938)	–
Consolidation and other In-year Adjustments		(332)	–	(332)	214	(1)	213
<b>Balance at 31 March 2020</b>	CSoFP	<b>880,174</b>	<b>7,732,169</b>	<b>8,612,343</b>	<b>883,562</b>	<b>7,732,169</b>	<b>8,615,731</b>
Net Parliamentary Funding – drawn down		12,531,847	–	12,531,847	12,531,847	–	12,531,847
Net Parliamentary Funding – deemed	10	82,896	–	82,896	82,896	–	82,896
Supply Receivable/ (Payable) Adjustment	10	(210,920)	–	(210,920)	(210,920)	–	(210,920)
Parliamentary Funding – Supply receivable		7,138	–	7,138	7,138	–	7,138

	Note	Core Department & Agencies			Departmental Group		
		General Fund £000	Revaluation Reserve £000	Total £000	General Fund £000	Revaluation Reserve £000	Total £000
CFER's Payable to the Consolidated Fund	SoPS 4.1	(750)	–	(750)	(750)	–	(750)
Net expenditure for the year	SOCNE	(14,201,953)	(219,716)	(14,421,669)	(14,201,508)	(219,716)	(14,421,224)
Net Gain/(loss) on Revaluation of PPE	SOCNE	–	(111,288)	(111,288)	–	(111,288)	(111,288)
Net Gain/(Loss) on Revaluation of Assets Held for Sale	SOCNE	–	(1,980)	(1,980)	–	(1,980)	(1,980)
Actuarial Gain/(Loss) on Defined Benefit Pension Schemes	SOCNE	(1,698)	–	(1,698)	(1,698)	–	(1,698)
		<b>(1,793,440)</b>	<b>(332,984)</b>	<b>(2,126,424)</b>	<b>(1,792,995)</b>	<b>(332,984)</b>	<b>(2,125,979)</b>
<b>Non-cash adjustments</b>							
Non-Cash Charges – Auditors Remuneration	3	986	–	986	986	–	986
Fair Value Revaluation Adjustment		–	33,048	33,048	–	33,048	33,048
<b>Movements in Reserves</b>							
Realised element to General Fund		1,362,919	(1,362,919)	–	1,362,919	(1,362,919)	–
Consolidation and other In-year Adjustments		1,483	–	1,483	897	–	897
<b>Balance at 31 March 2021</b>	CSoFP	<b>452,122</b>	<b>6,069,314</b>	<b>6,521,436</b>	<b>455,369</b>	<b>6,069,314</b>	<b>6,524,683</b>

The notes following these main schedules form part of these financial statements.

# Notes to the Departmental Resource Accounts

## 1. Statement of accounting policies

In accordance with the direction received from HM Treasury under the Government Resources and Accounts Act 2000 (GRAA), these financial statements have been prepared in accordance with the 2020-21 Government Financial Reporting Manual (FReM) issued by HM Treasury. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context taking account of the designation of those entities to be included within the consolidated Departmental Group (the Departmental Group) as determined by Statutory Instrument and accordingly are drawn up on that basis to give a true and fair view. Where the FReM permits a choice of accounting policy, the policy which is judged to be most appropriate to the particular circumstances of the FCDO for the purpose of giving a true and fair view has been selected. The particular policies adopted by the department are described below. These have been applied consistently in dealing with items that are considered material to the accounts.

In addition to the primary statements prepared under IFRS, the FReM also requires the department to prepare an additional primary statement, the Statement of Parliamentary Supply (SoPS), and supporting notes showing the outturn

against estimate in terms of the net resource requirement and the net cash requirement. The SoPS and supporting notes can be found in the Accountability Report.

### 1.1 Accounting convention

These accounts have been prepared on a going concern basis under the historical cost convention, modified to account for the revaluation of non current assets at their value to the FCDO by reference to their current costs or fair value as appropriate.

### 1.2 Basis of consolidation

These accounts comprise a consolidation of the core department, its departmental agencies and those other Arm's Length Bodies which fall within the departmental boundary as defined in the statutory instrument SI 2020 No 17 laid by HM Treasury. These bodies make up the 'departmental group'. Transactions between the entities included in the consolidation are eliminated. A list of all those entities within the departmental boundary is given in Note 17 to the Accounts.

In the preparation of the group accounts, the department is required to adopt consistent and uniform accounting policies across all entities with appropriate adjustments made where any differences have a material impact on the Accounts.

In line with FReM rules on activities which are charged directly to departments' expenditure, the primary statements in these accounts do not include amounts attributed to the FCDO in relation to spending on development activities by the European Union from the EU budget. The Statement of Parliamentary Supply does, however, include this expenditure when calculating resource outturn for the year under review. As a result, this expenditure is included within Note SOPS 2, detailing the reconciliation between resource outturn for the year and the total included in the Consolidated Statement of Comprehensive Net Expenditure.

### 1.3 Machinery of Government Changes

The Foreign, Commonwealth and Development Office was established on 2 September 2020 following the merger of the Department for International Development and the Foreign and Commonwealth Office.

In accordance with the FReM, the transfer of functions to the FCDO is accounted for as a Transfer by Merger. This means that the Group accounts reflect the combined entity's results as if FCO and DFID had always been combined. The results presented in these accounts relate to activities undertaken by the new department from 1 April 2020 to 31 March 2021, adjusted to achieve uniformity of accounting policies. In accordance with the transfer by merger principles, prior year balances have been restated. The historic carrying values of assets and liabilities have not been adjusted to fair value on consolidation except where required as a result of aligning the accounting policies of the two former departments.

The full impact in year of the merger is given in Note 18 to the Accounts.

### 1.4 Machinery of Government Changes

As a result of the merger between legacy DFID and legacy FCO, a number of accounting policies have been harmonised. The following areas are where policies have been amended more substantially resulting in the restatements outlined in Note 18:

1.16 Property, vehicles and equipment

1.17 Depreciation

Changes to both of the above are captured in the column "Capitalisation policy alignments" in Note 18.

### 1.5 Impending application of newly issued accounting standards not yet effective

The following changes to IFRS may affect the FCDO and will be applied once they are adopted by the FReM (subject to any interpretations or adaptations applied by the FReM). The effective dates of the IFRS changes are noted below.

#### IFRS 16 Leases

IFRS 16 was originally due to replace IAS 17 in the public sector in 2020-21. However, as a result of the COVID-19 pandemic, implementation has now been delayed to Financial Year 2022-23.

IFRS 16 eliminates the operating and finance lease distinction and imposes a single model geared towards the recognition of all but low-value or short-term leases. The FCDO considers short term leases to be those where the term is less than 12 months. For practical expediency the FCDO considers low value to be where the underlying asset has a value under £10k (in line with our capitalisation threshold). Any lease which is not considered to be an IFRS 16 lease for the above reasons will

continue to be treated as an operating lease and be expensed as per IAS 17. Where the FCDO is the landlord and grants a lease, this will be treated as an operating lease.

IFRS 16 lease assets are known as Right-of-Use (ROU) assets. Both the lease obligation and the value of the underlying ROU asset will be recognised on the Consolidated Statement of Financial Position. The FCDO considers that the minimum impact will be to include on the Consolidated Statement of Financial Position those operating leases disclosed in Note 14.2 on commitments, which will be a material change to the Financial Statements. The rental expense on operating leases previously recognised within the Consolidated Statement of Comprehensive Net Expenditure is replaced by a depreciation charge and a finance charge.

As mandated by HM Treasury, the FCDO will adopt IFRS 16 on a cumulative catch-up basis and therefore the cumulative impact on previous years' results will be recognised within equity at the beginning of the period. As at 1 April 2022 a ROU asset and lease liability will be recognised for all relevant leases not previously recognised as finance leases for accounting purposes under IAS 17. These reflect the ROU leased assets and the future lease payments respectively. The initial value of the ROU asset will consist of the present value of the minimum lease payments adjusted for any lease payments made prior to the commencement of the lease, any lease incentives received less accruals and prepayments associated with the lease.

The discounting of future payments to present value is based on a discount rate, lease length, instalment periods, instalment payments, prepayments and whether payments are made at the start or end of a period.

Lease deposits are currently expensed, on adoption deposits form part of the

capitalised ROU asset value and will be depreciated over the length of the lease.

Other than on initial accounting a ROU asset is not affected by foreign currency movements, but to make this work the straight-line depreciation charge must be translated at the initial exchange rate throughout the life of the asset.

The lease liability will be impacted by currency fluctuations when the payments made to landlords differ in Sterling as FX rates change between periods, and on monthly revaluation of each lease liability into Sterling.

For all but private rented accommodation used for staff, the FCDO determines the lease term applicable for IFRS 16 according to its enforceable rights and obligations under the contract. For example, where a contract allows either party to terminate with no more than an insignificant penalty, that termination option is reflected in the lease term. Thus a 20-year lease with a break clause after 5 years will in these circumstances be foreshortened to a 5-year lease. For private rented accommodation used by staff the FCDO considers factors, such as business needs and costs compared to alternatives, to determine whether renewal is reasonably certain.

Where leases introduce an option to extend, an assessment will be made whether to revise the lease length. Similarly, on transition on 1 April 2022 existing leases with less than 12 months will be revised to assume renewal where that is considered appropriate. Any renewal will be assumed to be on the same basis as the original lease.

Charges that the FCDO makes to partner organisations who share our platform overseas are not leases and will continue to be collected under memorandums of understanding.

The FCDO has adopted the following practical expedients on transition:

- not to capitalise a ROU lease asset or related lease liability where the lease expires before 31 March 2023 (subject to an assessment of whether a renewal is expected, see below);
- to use hindsight in determining the lease term;
- to not apply IFRS 16 to intangible assets;
- to use the HM Treasury PES rate as the appropriate discount rate for determining present value;
- to take cost as an appropriate proxy for current value and will not revalue unless there are exceptional circumstances, such as for peppercorn leases, or where particularly long leases do not provide a viable calculated cost when compared to market value; and,
- to exclude service charges or maintenance costs from the measurement of the ROU asset.

### **IFRS 17 Insurance Contracts**

IFRS 17 Insurance contracts will replace IFRS 4 Insurance Contracts and is expected to be effective for accounting periods beginning on or after 1 January 2023.

IFRS 17 identifies as insurance contracts those contracts under which the entity accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder. The FCDO is discussing with HM Treasury whether any guarantee issued by the FCDO, and disclosed as a contingent liability, could fall within the remit of IFRS 17 once adapted for the public sector. HM Treasury intends to

publish application guidance and changes to the FREM in 2021.

### **IAS 1 Presentation of Financial Statements**

IAS 1 Presentation of Financial Statements, amendment to classification of some liabilities as current or non-current. The planned implementation date for the private sector is 1 January 2023. There is currently no planned date for adoption by the FREM.

### **1.6 Critical accounting judgements and estimates**

Management, in preparing the accounts, is required to select suitable accounting policies, apply them consistently and make estimates and assumptions that are reasonable and prudent. These judgements and estimates are continually evaluated, based on historical experience and other factors considered relevant, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates and assumptions. Critical accounting estimates are those which involve the most complex or subjective judgements or assessments. The areas of FCDO's business that typically require such estimates in implementing the accounting policies set out above are explained in more detail below.

#### ***(a) Impairment review of financial assets held at amortised cost***

The FCDO carries out an annual impairment review of the carrying value of its financial assets which are measured at amortised cost as IFRS 9 does not require impairment reviews for FVTPL assets. Impairment losses are calculated based on the best estimate of the current fair value and judging whether losses are permanent or temporary. Long term loan balances are held with a number

of overseas governments and organisations. The FCDO carries out an annual review to assess whether there has been a significant increase in credit risk. This is done by giving consideration to factors affecting recoverability such as political matters; for example, stability within the recipient country, or economic developments and progress towards debt reduction initiatives, such as the Paris Club or the Heavily Indebted Poor Countries (HIPC) initiative. Expected Credit Losses (ECLs) are then measured for all amortised cost financial assets over their lifetime. The FCDO estimates the value of the ECLs by reviewing history of default and credit ratings together with a forward look of expected economic conditions and applies that information to estimate expected future cash flows. Further details of how the FCDO calculates and assesses ECLs are available in Note 1.22.

### ***(b) Fair value of financial investments***

Financial investments are measured at fair value at the Consolidated Statement of Financial Position date using a range of valuation techniques as appropriate to the nature of each asset. These valuation techniques involve a number of assumptions and judgements depending on the method applied. The valuation of the department's investments is subjective as there is no observable market and there is an inherent risk that valuations may not reflect fair value. As a result, there is a level of estimation uncertainty of investment valuations. Details of these uncertainties and relevant sensitivity analyses are available in Note 7. In 2019-20, there was further, significant estimation uncertainty due to the impact of COVID-19 which is detailed in Note 6. The FCDO does not believe that COVID-19 has a significant impact on the fair value of financial investments as at 31 March 2021. For a number of financial investments, the valuation date is prior to 31 March because

of the timing of investment reporting. Where this is the case, an estimate for the fair value at year end is made based on judgements around any material changes between the valuation point and 31 March and recording any additions in this time at cost as a proxy for fair value. In the absence of available market data, an approximation of the fair value of the FCDO's interests is assessed as the FCDO's share of the net assets based on the number of shares subscribed by the FCDO. Where possible, valuations are based on financial information contained within published annual accounts, but given that year-ends of most entities are non-coterminous with the FCDO, quarterly financial information has been used to value investments where the FCDO judges these provide a more accurate valuation of shareholding. For these entities a letter of assurance is also sought to give additional confidence over valuation procedures and methodology.

### ***(c) Valuation of property, plant and equipment***

Estimation is based on experience with similar assets. Overseas properties can be held under a number of different individual agreements, and the FCDO values these appropriately within the local market. The estimated useful life of each asset is reviewed periodically. The FCDO makes an assessment of material movements between the date of measurement (30 September) and the year end (31 March). Where the movement in foreign exchange and markets is not deemed material the 30 September valuation is used at year end. In 2020-21 the FCDO's valuation of land and buildings is reported as at 31 March 2021 on the basis of "material valuation uncertainty" given the unknown future impact that COVID-19 may have. Details of this assessment is included in Note 5.

**(d) Estimation of provisions**

The estimation of provisions is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. A provision is recognised where the likelihood of a liability crystallising is deemed probable and where it is possible to quantify the effect with reasonable certainty. Where the likelihood of potential liabilities crystallising is judged to be possible, a contingent liability is disclosed. Wherever possible expert advice is sought, e.g. Counsel opinion regarding legal provisions. The FCDO's largest provisions are in relation to legally binding pledges to International Finance Facility for Immunisation (IFFIm). Further information on these provisions is provided at Note 11.

**(e) Calculation of accruals and prepayments**

Expenditure is recognised in the period in which the underlying event or activity occurs. In some instances this will require resource adjustments through accruals and prepayments. Accruals and prepayments are made on the basis of the known value of the transaction wherever possible. Where estimates need to be made, they are based on appropriate and consistently applied methods. For prepayments, judgement will be required on a case by case basis to ascertain if the FCDO spending and the activities they fund can be separately identified in order to make an appropriate estimate of the prepayment adjustment required. Judgement will also be required to establish whether there is a legal right to return of any committed funds, and thus whether a constructive obligation has been created in full or in part.

**(f) Valuation of defined benefit pension schemes**

The present value of the net pension liability depends on a number of actuarially derived assumptions about variables such as inflation, discount factors, and mortality rates. The majority of pension investments are held in pension funds or insurances in order to give a guaranteed income. This has reduced the volatility that would otherwise occur if the assets had been directly invested in stocks and shares.

**(g) Fair value of financial guarantees**

Financial guarantees in active markets are measured at fair value at the Consolidated Statement of Financial Position date and recorded as a financial liability. Valuation is based on the present value of the benefit to the party receiving the guarantee and involves a number of assumptions of forward-looking data.

**1.7 Operating segments**

In line with IFRS 8 'Operating Segments', the FCDO's operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker, who is responsible for allocating resources and assessing performance of operating segments, which for this purpose has been identified as the Management Board.

The FCDO is managed, and reports internally, on a basis consistent with its eight Director General (DG) areas and as such, these have been determined as the operating segments. The Management Board reviews a monthly finance report as a standing item on its agenda. This aggregates financial data and summarises financial performance, both historical and forecast, by DG area. Note 2 sets out gross

expenditure, income, and the net position for each operating segment.

## 1.8 Operating Income and Revenue Recognition

Operating income is income which relates to the operating activities of the FCDO. It principally comprises charges for services provided, on a full cost basis, to external partners across government. Operating income is stated net of VAT and is recognised in accordance with the FReM and IFRS 15 on revenue recognition.

The FCDO's operating revenue is primarily derived from providing services, with revenue recognised over time as the service is provided to the customer. The significant operating income streams of the FCDO are income from other government departments and organisations, running costs receipts and consular fees, details of which can be found in Note 4.

The FCDO recognises notional income reflecting the release of discounting on loans. This is calculated in accordance with IFRS 9 using the effective interest rate method to amortise, or spread, cash flows over the life of the loan. All notional interest revenue is recognised in the Consolidated Statement of Comprehensive Net Expenditure over the relevant period.

For income from other government departments and organisations, and running cost receipts, the service being provided is in accordance with an agreed memorandum of understanding or other form of contractual agreement. The performance obligation is that of providing the contractual service and is satisfied over time as the service is provided. Direct platform costs are charged to our partner departments using our overseas platform. These local costs directly attributable to Other Government Departments (OGDs) will be invoiced by the FCDO to the partner

departments monthly. Invoices will be paid within 30 calendar days of receipt or within an otherwise agreed schedule of payments. Costs include locally employed staff, rent, residential utilities, furniture, official vehicles. Indirect costs include accommodation, security work, capital enhancements, technical support, IT services, machinery, and telecommunication services. Each OGD will be invoiced for one single annual global payment for all fixed and indirectly incurred costs of being on the platform and payments will be made according to the agreed schedule. The FCDO recognises this significant income in accordance to IFRS 15 on revenue recognition.

Consular fees are based on statutory authority and the income recognised is received from the general public for consular goods or services provided, the fees for which are set out in legislation. The performance obligation is the point at which the goods or services are provided to the customer.

When applying IFRS 15 the FCDO has recognised a contract asset and liability in the Consolidated Statement of Financial Position, being the difference between the amount received from the customer and the latest achieved contract milestone. Where the amount received is lower than the value of services provided a contract asset is recognised and where the amount received is higher than the value of services provided, a contract liability is recognised.

## 1.9 Income collected as agent for the Consolidated Fund

Income collected by the FCDO where it was acting as an agent for the Consolidated Fund rather than as principal is excluded from the Consolidated Statement of Comprehensive Net Expenditure. Details of the amount and balance held at the year-end date are given in SOPS Note 4.2.

### 1.10 Notional costs – audit fees

In accordance with the requirements of the FReM, the external audit fees for the core department and its agency are charged to Net Operating Cost although they are notional costs to the FCDO and are borne by the National Audit Office (NAO). As the amounts are notional, they are treated as a non-cash charge through the General Fund. Further details of the amounts paid to the NAO are disclosed in the Parliamentary Accountability and Audit Report of the Annual Report and Accounts.

### 1.11 Staff costs

In accordance with IAS 19 Employee Benefits, all short-term staff costs accrued at the year-end are recognised in the Consolidated Statement of Comprehensive Net Expenditure. These short-term benefits largely relate to bonuses announced but not paid and accrued paid holiday entitlement at the period end date. Longer-term benefits, such as pensions provided to staff, are recognised in line with IAS 19 as modified by the FReM.

### 1.12 Grants payable

The FCDO's grants payable policy has been harmonised as a result of the FCDO merger as set out in note 1.3. The changes have not resulted in any material changes in value and therefore no adjustments are disclosed in Note 18 Restatement.

Grants payable are recorded as expenditure either in the period in which the underlying event or activity giving entitlement to the grant occurs (where it is possible to ascertain how and when the FCDO funds are spent) or at the point at which constructive obligation is deemed to have taken place. Where grants are made to governments or international organisations

and the FCDO contributions are pooled, every effort is made to match expenditure with particular activities. Where the period to which the payments are to be applied is clearly defined, the appropriate resource adjustments are made to reflect the period of expenditure through accruals and prepayments. Recognition of entitlement to the grant will vary according to the individual programme.

Grant in Aid (GIA) payments from the department to Arm's Length Bodies (ALBs) are paid only when the need for cash has been demonstrated by the body concerned. ALBs treat receipts of GIA as financing. These transactions are eliminated on consolidation. Where grants rather than GIA are given to ALBs any payables or receivables by the ALBs are accounted for on an accruals basis.

A promissory note is a legally binding undertaking by HM Government to provide to the named beneficiary any amount up to the specified limit that the beneficiary may demand, at any time. The FCDO uses promissory notes mainly, but not exclusively, as part of the arrangements whereby we pay certain sums to International Development Banks and Funds. Promissory notes deposited in the Financial Year are recorded as expenditure. Promissory notes payable have been classified as financial liabilities measured at amortised cost. They have been shown as due within 1 year, as they are legally payable on demand, so the maturity profile in the Consolidated Statement of Financial Position, and in note 7, shows the earliest date at which they could be payable.

International subscriptions are fees for membership of international organisations, paid on behalf of UK Government. As such these are treated as 12 equal payments over the annual period of membership.

### 1.13 Value Added Tax (VAT)

The department is registered for VAT and pays tax on its purchases in accordance with the Value Added Tax Act 1994. Income and expenditure are shown net of VAT where output tax is charged, or input tax is recoverable. Irrecoverable VAT incurred is included within the overall cost of purchases. Amounts owed by HM Revenue and Customs for VAT recoverable at the Consolidated Statement of Financial Position date are included in 'Trade and other receivables' (Note 9).

### 1.14 Foreign exchange

For peacekeeping expenditure obligations, the FCDO has foreign currency forward purchase contracts for US Dollars and Euros in order to gain greater budget certainty. Further details on these are provided at Note 1.21 Financial Investments and Loans.

#### ***Transactions denominated in foreign currency***

Transactions denominated in foreign currencies are translated into sterling in accordance with IAS 21.29 at the spot rate or average rate when settled.

Transactions within the former FCO accounting system are translated to sterling at an average rate of exchange determined on the first day of the month in which the transaction occurs (as an approximation of the actual exchange rate at the date of the transaction).

Average Rate is the rate of exchange at the day before the last working day of the month. If the exchange rate deviates from this rate during the month by +/- 3% for 3 consecutive days, the average rate is updated to a revised spot rate.

All other transactions denominated in foreign currency are accounted for at the sterling

equivalent at the exchange rate ruling at the date of each transaction. Monetary assets and liabilities denominated in foreign currency are translated into sterling at the exchange rates ruling at the Consolidated Statement of Financial position date.

Differences on translation of balances are recognised as operating costs within the Consolidated Statement of Comprehensive Net Expenditure. Non-monetary assets and liabilities are subject to annual revaluation and are translated at the Consolidated Statement of Financial Position date as part of the fair value revaluation.

The foreign exchange element of revaluations of property, plant and equipment is accounted for as part of the revaluation amount.

All FCDO rates are gathered from the same source, Oanda, so the underlying data is consistent between both average rate and spot rate transactions.

### 1.15 Cash and cash equivalents

FCDO's cash comprises cash on hand with UK and overseas banks and demand deposits at the Consolidated Statement of Financial Position date. FCDO bank accounts are provided either by the Government Banking Service, or by commercial providers where this is not possible, e.g. overseas accounts. Bank overdrafts that are repayable on demand and which form an integral part of the FCDO's cash management are included as a component of cash and cash equivalents. The FCDO's policy on the balances of official bank accounts is to optimise bank balance levels to enable outstanding liabilities to be settled within agreed payment terms and to reduce cash holdings.

The FCDO acts as agent for UK Visas and Immigration (UKVI) and accounts for income

as cash and recognises a payable to the UKVI in the accounts. If expenses are paid by the UKVI, they are made from bank accounts held and controlled by the FCDO. FCDO accounts for these expenses and recognises a receivable from UKVI in the accounts.

Cash equivalents comprise any assets considered by management to be readily convertible to cash, due to their highly liquid and short-term nature, by way of a readily available market for sale.

### **1.16 Property, Plant and Equipment**

In line with the requirements of IAS 16, on initial recognition property, plant and equipment (PPE) are measured at cost including any costs such as installation directly attributable to bringing them into working condition. PPE are subsequently included in the accounts at the valuation applicable as at the Statement of Financial Position date; any movements in valuation during the year are taken to the Other Comprehensive Net Expenditure in the Consolidated Statements of Comprehensive Net Expenditure and to the revaluation reserve, or are treated as impairments where appropriate. The revaluation is contributed to by both market and foreign exchange movements.

As a result of the Machinery of Government change outlined in Note 1.3, a revision was made to harmonise accounting policies, largely bring legacy DFID capitalisation policy into line with legacy FCO policies. Further detail on the impact of this is set out in Note 18 – Restatement. Two main changes took place – an increase in the minimum capitalisation level (as set out below) and a re-alignment of asset categories, with legacy DFID opting to no

longer capitalise Furniture in line with legacy FCO policy.

The minimum level for capitalisation of a single tangible asset is £10,000 (up from £1,000 for legacy DFID). This threshold is subject to grouping conventions where appropriate. A prior period adjustment has been applied for the impact of the change in this threshold. Further details are outlined in Note 18 Impact of Restatement. The only exception to the £10,000 capitalisation threshold are Land, Buildings, Antiques and Works of Art where the capitalisation threshold is £3,000.

As compounds are split between individual assets it is reasonable to include all compound Land and Buildings assets, not just those above £10,000. Land and Building assets can have an actual revalued NBV much greater than historic cost. AWA were acquired many years ago and never capitalised at the time. Consequently, there is no definitive information on historic costs

Transport equipment, plant and machinery and information technology are stated at current value using appropriate indices. Current value is updated at year-end using indices provided by the ONS website.

Property, plant and equipment (PPE) does not include items purchased as part of FCDO's overseas programme spending.

#### ***Non-Specialised Buildings***

Non-specialised buildings which are owned or held on long term leases, and perpetual leasehold land, are stated at fair value on an existing use basis using periodic professional valuations. When a new property is brought into active use it is immediately re-valued in accordance with the relevant Royal Institute of Chartered Surveyors (RICS) guidelines. The overseas estate is subject to a three-to-five year rolling revaluation programme and interim

annual review. Since 2010-11 property valuations are carried out as at 30 September valuation rate. A review is undertaken as at 31 March to assess whether there are significant movements in the intervening period and, where material, property values are updated. Market movements outside the UK will also be influenced by foreign exchange movements.

Refurbishments to freehold and leasehold properties are capitalised at the actual costs incurred where these extend the useful life or functionality of the underlying asset. These costs are superseded once properties are revalued as the refurbished element will be within the updated building valuation.

### ***Specialised Buildings***

Specialised buildings are valued using Depreciated Replacement Cost methodology on a Modern Equivalent Replacement basis. Further detail on building valuations is given at Note 5.

### ***Perpetual Leases***

In some instances, the FCDO enjoys the benefits of perpetual leases which either continue as at peppercorn rent or are renewable at a de minimis premium indefinitely. These interests are non-reversionary and are held by the FCDO for as long as the FCDO requires. For valuation purposes these interests are regarded as akin to freehold interests and valued accordingly.

### ***Operating Leases***

Buildings and land held on short term leases are regarded as operating leases and rental payments are recorded in the Consolidated Statement of Comprehensive Net Expenditure. Leases for buildings and land which do not meet the IAS 17 definition of finance leases, are treated as operating

leases, and rental payments are recorded in the SOCNE. In practice, operating leases are defined as those where the lease is less than seven years or marked to market at no more than five-yearly intervals. The premium paid for the land element of a non-perpetual lease is recognised within prepayments. Prepayments are amortised over the life of the lease.

### ***Assets under construction***

Assets under construction are capitalised on the basis of actual costs incurred during the period until the work is completed, when the asset is deemed available for use and reclassified accordingly. Assets under construction are held at historic cost.

### ***Assets held for Sale***

In accordance with the requirements of IFRS 5, non-current assets are reclassified as held for sale if it is highly probable that their carrying amount will be recovered principally through a sales transaction rather than continuing use. This will be the case when the FCDO has made a firm decision to sell a non-current asset and it is actively marketed. At year end, any such assets will be shown as assets held for sale.

### ***Antiques and Works of Art (AWA)***

AWA is not depreciated as the length of their expected useful economic life is regarded to be close to infinite. AWA are grouped and valued on a market value basis by professional valuers. Valuations take place every five years on a rolling basis, valuing a separate region each year. Within each region the valuations focus on the Posts with the highest value AWA. Most AWA are held overseas. The FCDO collection includes furniture, carpets, architectural fittings such as chandeliers, silverware, glassware and china, tapestries, sculpture, decorative arts and some paintings (but not the

Government Art Collection). Around half of the FCDO's art and antiques are in Europe, with the second largest collection in the Americas. The FCDO does not have a purchasing programme for AWA. To maintain safe stewardship, posts are required to complete an annual physical check of their AWA against their existing inventory. A five yearly valuation and inventory exercise of the Posts with the higher value collections is also carried out. The FCDO's records AWA assets in Note 5.

### ***Intangible Assets***

Purchased computer software licences are capitalised as intangible assets where expenditure of £10,000 or more is incurred. In line with tangible assets this threshold has increased for legacy DFID from £1,000 in the prior year. Further details are provided at Note 18 Impact of Restatement. Intangible asset costs can include salaries and other employee benefit of departmental staff directly attributable to the development, construction and acquisition of the asset. Capitalised software licences are amortised over the shorter of the term of the licence and the useful economic life.

### **1.17 Depreciation**

As a result of the Machinery of Government change outlined in Note 1.3, a revision was made to harmonise accounting policies. This included some changes to legacy DFID depreciation policies, aligning policies with legacy FCO depreciation rates. Further detail on the impact of this is set out in Note 18 – Restatement.

PPE is depreciated at rates calculated to write off the cost or valuation of the assets on a straight-line basis over their estimated useful lives. Freehold and Perpetual Leasehold Land is not depreciated. Assets under construction are not depreciated until

the asset is brought into use. The useful life of an asset is the period over which an asset is expected to be available for use. Useful lives are normally in the following ranges:

- Freehold buildings – up to remaining 60 years
- Leasehold-related assets – over the remaining term of the lease
- Information Technology – over 1 and up to 10 years
- Software Licences – Over the shorter of the term of the licence and the useful economic life
- Transport Equipment – 2 to 8 years
- Plant and Machinery:
  - Office Equipment – between 5 and 10 years
  - Technical Equipment – up to 20 years
  - Heavy Machinery – up to 20 years

Non-residential enhancements are depreciated over the unexpired period of the lease or the estimated remaining useful lives of the improvements, whichever is the shorter.

Depreciation methods, estimated useful lives and residual values are reviewed at each reporting date. Freehold buildings have their remaining life adjusted annually based on expert valuation, and the depreciation is adjusted over the remaining life of the building. Non-property assets whose historic cost is greater than £150k are reviewed as part of the asset verification exercise and re-lived where appropriate. Such changes constitute a change in accounting estimate.

### **1.18 Capital commitments**

Capital commitments represent capital expenditure contracted for at the end of the reporting period, but not recognised as

liabilities as no payment has been made and no performance has been rendered by the supplier.

## 1.19 Financial instruments

IFRS 7 'Financial Instruments: Disclosures' requires disclosures in the accounts that enable users to evaluate the significance of financial instruments to the financial position and performance of the department. Furthermore, it requires the disclosure of the nature and extent of risks arising from financial instruments, to which the FCDO is exposed during the year and at the Financial Year end and requires explanation of how those risks are managed.

Financial assets and liabilities are recognised when the department becomes party to the contracts that give rise to them and conditions satisfying recognition are met. Financial assets are measured at their fair values except for those assets which are designated as measured at amortised cost. The basis for designation as fair value or amortised cost is based on criteria set out in IFRS 9 and FCDO's application is set out in Note 1.21.

Financial assets are derecognised when the right to receive cash flows has expired or where the department has transferred substantially all the risks and rewards of ownership or control of the asset. Financial liabilities are derecognised if the department's obligations specified in the contract expire or are discharged or cancelled. All other financial assets and liabilities that are not separately disclosed in the accounting policies are recorded at amortised cost using the effective interest rate method to amortise, or spread, cash flows, such as interest or discounts, over the life of the instrument.

In line with IFRS 13, the FCDO disclose fair values at the end of the reporting period, the level of the fair value hierarchy within which the fair value measurements (Level 1, 2 or 3) and necessary transfers between levels in the hierarchy in Note 7.

## 1.20 Investment in other public sector bodies

The FCDO holds an investment in FCDO Services, comprised of 100% of its Public Dividend Capital (PDC). As a trading fund, FCDO Services is not included within the FCDO departmental boundary and the department's investment is reported in these accounts at historical cost.

The FCDO is the sponsor department for the British Council. As a public corporation the British Council is not included within the FCDO accounting boundary. Further details can be found in Note 16 Related Parties and Note 17 Entities within and outside the Departmental Boundary.

The FCDO is the sponsor department for CDC Group plc, a wholly owned public limited company classified in accordance with the European system of accounts (ESA 2010) as applied by the Office for National Statistics (ONS), as a 'self-financing public corporation'. The FCDO is the controlling entity of CDC under IFRS, but due to the application of ESA 2010 and HM Treasury direction, CDC is not consolidated within the departmental resource accounting boundary. The FCDO's ownership interest in CDC is recognised in these financial statements within non-current financial asset investments adopting the recognition and measurement provisions of IFRS 9.

## 1.21 Financial investments and loans

Development capital (DC) assets are investments made by the FCDO to achieve defined development objectives while retaining an ongoing, recoverable interest in the assets funded. The Departmental Group's financial investments are recognised initially at fair value using settlement date accounting. At initial recognition, the best evidence of fair value in an arm's length transaction is cash received or paid, unless there is evidence to the contrary. After initial recognition, these financial assets are carried at fair value as defined by IFRS 13. IFRS 9 requires FCDO's financial assets to be classified as either held at amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL), dependent on the business model and cash flow characteristics of the financial asset. All FCDO's financial investments are held to collect contractual cash flows. Where the cash flows are solely payments of interest and principal on specified dates, the assets are held at amortised cost. For all other assets, they are measured at either FVOCI or FVTPL. Investments at 31 March 2021 and 2020 include:

### *a) Investments measured at FVOCI*

The FCDO has applied the irrevocable election available in IFRS 9 to measure equity instruments at fair value through other comprehensive income with movements in fair value being charged or credited to Other Comprehensive Net Expenditure.

### **International Financial Institutions (IFIs)**

Investments include the UK interest in certain IFIs. Shares in these bodies are not traded securities. Investments in IFIs are valued at fair value. In the absence of available market data, an approximation of the fair value of FCDO's interests is

assessed as FCDO's share of the net assets of the IFIs, based on the number of shares subscribed by the FCDO (taking into consideration the department's assessment of material changes to fair value for bodies with non-coterminous reporting dates). The Articles of Agreement of all the IFIs specify that this is the valuation basis that would be used to determine the value that the FCDO would realise on dissolution of the individual institutions. This value is determined based on the net assets disclosed in the Statement of Financial Position of each IFI at the date closest to the FCDO year-end, adjusted for any subsequent and material known changes. The Articles of Agreement of the European Bank for Reconstruction and Development (EBRD) also state that if the UK was to cease to be a member of the bank, the bank would buy back the UK's shares at a maximum of FCDO's purchase price. FCDO have chosen to value its investment in EBRD using the share of net assets in order to be consistent with the other IFIs and in line with IFRS 13 which allows fair value to be determined based on the principal or most advantageous market. FCDO's investment in EBRD was transferred to HM Treasury during the year ended 31 March 2021 using this method and will be nil going forward. The IFIs apply Generally Accepted Accounting Principles (United States) or IFRS. Investment additions in IFIs are funded using promissory notes (refer to Notes 6 and 10.3).

### **Public corporations**

In the absence of observable market data for investments in public corporations outside the departmental boundary, net asset value per recent audited accounts (taking into consideration the department's assessment of material changes to fair value for bodies with non-coterminous reporting dates) is used as a measure for determining

fair value. This applies to FCDO's investment in CDC. CDC's financial investments are held at fair value under IFRS, and changes in the value of CDC's net assets are recorded as changes in the value of the FCDO's investment in CDC. Investment additions in CDC are funded using promissory notes (refer to Notes 6 and 10.3).

#### **Other development capital (DC) – equities**

The fair values of DC equity assets are estimated based on a variety of valuation techniques performed by independent valuation experts, as appropriate to the nature of each asset. Valuation techniques used include the use of earnings multiples, discounted cash flows analysis using the discount rate set by HM Treasury and net asset values.

#### **b) Investments and loans measured at amortised cost**

Long term loans and receivables have been valued at amortised cost (see Note 1.19) based on expected future cash flows, net of provisions. The discount rate applied to future cash flows to calculate amortised cost is the higher of the long-term interest rate set by HM Treasury or the rate intrinsic to each agreement. Provisions applied are based on appropriate evidence and likelihood of default. Further information on expected credit loss provisions (ECLs) are set out in Note 7.

#### **Other development capital (DC) – amortised cost**

The fair value of DC assets held at amortised cost is estimated based on discounted cash flow analysis using the discount rate set by HM Treasury.

#### **c) Investments and convertible loans measured at FVTPL**

##### **Foreign currency forward purchase contracts**

The FCDO has foreign currency forward purchase contracts for US Dollars and Euros in order to gain greater budget certainty for its peacekeeping expenditure obligations. Open contracts are measured at fair value through profit or loss with movements in fair value being charged or credited to the Consolidated Statement of Comprehensive Net Expenditure. The fair value is measured as the difference between the currency's midmarket forward rate at the date of valuation (provided by the Bank of England) and the rate stipulated in the contract multiplied by the number of contracted units of currency. Once each contract has been settled it is removed from the Consolidated Statement of Financial Position with any further gain or loss, calculated by comparing the contract proceeds translated at the corporate rate of exchange at maturity with the purchase cost at the rate stipulated in the contract, taken to the Consolidated Statement of Comprehensive Net Expenditure. Details of open and settled contracts are at Note 7.

##### **Other development capital (DC) – FVTPL**

Embedded derivatives and debt instruments which do not meet the criteria to be measured at fair value through other comprehensive income are measured at fair value through profit or loss with movements in fair value being charged or credited to the Consolidated Statement of Comprehensive Net Expenditure. This includes convertible loans. The fair values of these assets are estimated based on a variety of valuation techniques performed by independent valuation experts, as appropriate to the nature of each asset. Valuation techniques used include the use of earnings multiples

and discounted cash flows analysis using the discount rate set by HM Treasury.

## **1.22 Impairment of financial assets**

### **Financial investments measured at FVTPL**

Gains and losses (the difference between the acquisition cost and the current fair value) on financial investments measured at FVTPL are recognised in the Consolidated Statement of Comprehensive Net Expenditure.

### **Financial investments measured at amortised cost**

IFRS 9 requires a loss allowance to be recognised at an amount equal to either 12 month or lifetime expected credit losses (ECLs), dependent on the level of credit risk. Lifetime ECLs are those that result from all possible default events over the life of a financial instrument, whereas 12 month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date. This requires considerable judgement and ECLs will be determined on a probability-weighted basis. Most of FCDO's receivables balances have a low credit risk at the reporting date. However, for trade receivables, the FReM requires government departments to recognise lifetime ECLs.

The FCDO's largest group of trade receivables are with Other Government Departments. HM Treasury has mandated that receivable balances with core central government departments (including their executive agencies) are excluded from being recognised for impairments; with the liabilities being assessed as having zero 'own credit risk' by the entities holding these liabilities. For those customers and counterparties that are not public sector organisations the department has policies and procedures in place to ensure credit risk is kept to a minimum.

The department will consider a financial asset to be in default when the borrower is unlikely to pay its credit obligations to FCDO in full. The department will consider reasonable and supportable information that is relevant and available without undue cost or effort when determining whether credit risk has increased significantly since initial recognition. This will include qualitative and quantitative information and analysis based on historical experience, expert credit assessment (where available) and forward-looking information.

The credit risk at initial recognition for some of FCDO's historic loan balances is not known. However, many of these balances are fully provided for already. For those without an existing provision, all available information will be used to determine the level of loss allowances required. The FCDO's loan balances include historic loans to sovereign states which fall under Paris Club agreements. One of the main principles is that any debt negotiations must be agreed by all creditor countries meaning that the FCDO cannot decide to write off any debts without full Paris Club agreement. As a result, many FCDO historic sovereign loan balances are fully provided for with no reasonable expectation of repayment but not written off.

For callable capital, the FCDO will consider the balance likely to be drawn down in the next 12 months from the reporting date and will calculate loss allowances based on this. For financial guarantee contracts, no fees are received and so there is no associated financial asset. However, where the risk of default increases significantly, a provision for the potential payments will be recognised and will be assessed in accordance with principles of IFRS 9.

### 1.23 Service concessions (PFI)

Private Finance Initiative (PFI) transactions have been accounted for in accordance with HM Treasury and FReM requirements. Where the terms of the PFI meet the definition of service concession arrangements in IFRIC 12 Service Concession Arrangements, the infrastructure asset is recognised as a non-current asset and the liability to pay for it is accounted for as if a finance lease. Contract payments are apportioned between a reduction in the capital obligation and charges to the Consolidated Statement of Comprehensive Net Expenditure for service performance and finance cost. Further details can be found in Note 14.

### 1.24 Provisions

The FCDO provides for legal and constructive obligations, related to past events, where the obligations are of uncertain timing or value at the Consolidated Statement of Financial Position date. Such provisions are based on the best estimate of the expenditure required to settle the obligation taking into account the risks and uncertainties surrounding the obligation. Where the time value of money is material, expected cash flows are stated at discounted amounts using the nominal discount rate set by HM Treasury (0.51% between 0 and 5 years, 0.55% between 5 and 10 years and 1.99% exceeding 10 years). The FCDO provides for irreversible, pledged funding commitments to partners as the nature of the expenditure in supporting international development programmes means there will be an outflow of economic benefits. Further information on the FCDO's provisions are provided at Note 11.

The provision for early departure costs (see Note 1.26) is discounted at the Treasury

pension discount rate. Each year the financing charges in the Consolidated Statement of Comprehensive Net Expenditure include the adjustments to unwind one year's discount so that liabilities are shown at current price levels.

### 1.25 Pensions – UK employees

From 1 April 2015 a new pension scheme known as Alpha was introduced, and all newly appointed civil servants, and most of those already in service, joined Alpha. Prior to that date UK-based employees were covered by the provisions of the Principal Civil Service Pension Scheme (PCSPS). Both Alpha and PCSPS defined benefit schemes are unfunded and are non-contributory except in respect of dependants' benefits. The FCDO recognises the expected cost of providing pensions on a systematic and rational basis over the period during which it benefits from employees' services by payment to the scheme of amounts calculated on an accruing basis. In respect of the PCSPS defined contribution 'money purchase' schemes, the FCDO recognises the contributions payable for the year. For more details of these schemes please see the relevant section of the Remuneration Report.

### 1.26 Early departure costs

For early departures under the Civil Service Compensation Scheme (CSCS) in 2010-11 and earlier years, the FCDO met the additional costs of benefits, beyond the normal PCSPS benefits in respect of employees who retired early, by paying the required amounts annually to the PCSPS, over the period between early retirement and normal retirement date. After 1 April 2011, the FCDO provided for this in full, when the early retirement programme became binding on the department, by establishing a provision for the estimated

payments discounted by HM Treasury pension discount rate of -0.95% (2019-20: -0.5%) in real terms.

The CSCS was revised in December 2010 so that early leavers are entitled to lump sum compensation depending on their number of years' service. Eligible leavers can use their lump sum, with a departmental top-up if necessary, to enable them to draw their pension without actuarial reduction. Once the lump sum plus any departmental top-up is paid over to the PCSPS there is no further liability for the department.

### **1.27 Overseas pensions and terminal benefits**

The FCDO is required to observe local employment laws regarding the payment of pensions, gratuities and terminal benefits at its overseas posts. Where state or other trustee schemes exist, the FCDO discharges its obligation in-year by the payment of accrued contributions. Where the final gratuity or terminal benefit has to be met by the FCDO, the full cost has been provided for in the accounts.

The FCDO has adopted the requirements of IAS 19: Employee Benefits in respect of its overseas pension schemes. Actuarial gains/losses are taken through Other Comprehensive Net Expenditure. In respect of the defined contribution elements of the Schemes, the FCDO recognises the contributions payable for one year. A summary of the performance of the schemes is provided in these financial statements, with further information available in Note 13.

Terminal gratuities are recorded within these accounts as provisions under IAS 37 (See Note 11). An exercise was carried out during 2020-21 to test for a material difference with adopting IAS 19 for terminal gratuities. Within the assumptions used the FCDO found no material difference.

### **1.28 Contingent assets and liabilities**

In addition to contingent liabilities disclosed in accordance with IAS 37, the department discloses for parliamentary reporting and accountability purposes certain statutory and non statutory contingent liabilities and guarantees where the likelihood of a transfer of economic benefit is remote, but which have been reported to Parliament in accordance with the requirements of 'Managing Public Money'.

Where the time value of money is material, contingent liabilities which are required to be disclosed under IAS 37 are stated at discounted amounts and the amount reported to Parliament separately noted. Contingent liabilities that are not required to be disclosed by IAS 37 are stated at the amounts reported to Parliament.

The department discloses a contingent asset where it is probable there will be an inflow of economic benefits from a past event, but where the outcome (timing and/or value) is uncertain. An estimate of the financial effect is indicated, where possible.

## 2. Statement of Operating Expenditure by Operating Segment

Director General	2020-21			2019-20 (Restated)		
	Gross £000	Income £000	Net £000	Gross £000	Income £000	Net £000
DG Delivery	701,707	–	701,707	490,377	–	490,377
DG Indo-Pacific	776,240	(707)	775,533	821,222	(1,782)	819,440
DG Finance and Corporate	2,909,681	(62,438)	2,847,243	583,036	(64,185)	518,851
DG Africa	3,962,312	(900)	3,961,412	4,044,315	(1,449)	4,042,866
DG Political	1,350,815	(220)	1,350,595	1,428,330	(1,792)	1,426,538
DG MENA, Afghanistan and Pakistan	1,984,752	(22,057)	1,962,695	2,482,184	(34,597)	2,447,587
DG Americas and Overseas Territories	2,201,340	(133)	2,201,207	1,918,119	(789)	1,917,330
DG Transformation	262,030	–	262,030	–	–	–
Other	372,526	(213,278)	159,248	486,120	(214,858)	271,262
<b>Total</b>	<b>14,521,403</b>	<b>(299,733)</b>	<b>14,221,670</b>	<b>12,253,703</b>	<b>(319,452)</b>	<b>11,934,251</b>

DG Finance and Corporate includes a number of centrally incurred costs including the costs of the Government Property Agency transfer of King Charles Street, Abercrombie House and 22 Whitehall.

“Other” includes corporate accounting adjustments and non DG specific expenditure such as Non Cash. Other Income relates to funding received from other Government Departments in relation to provision of the One HMG overseas platform.

The department reports its expenditure by operating segment in accordance with IFRS 8 Operating Segments. The basis for defining operating segments is set out in note 1.7.

The standard also includes a requirement to show net assets per operating segment. The structure of the FCDO means that all assets included in the Consolidated Statement of Financial Position are used for the general administration and benefit of the FCDO as a whole. It is not possible to accurately allocate assets and liabilities to operating segments and thus such information is not reported to the Management Board or included in the segmental reporting in these financial accounts.

The comparative figures for 2019-20 have been restated to reflect the merged operating segments, the Impact of Restatement is set out in note 18.

More details of the FCDO's performance reporting can be found in the Performance Analysis within the Annual Report.

### 3. Operating Expenditure

	Note	2020-21		2019-20 (Restated)	
		Core Department & Agencies £000	Departmental Group £000	Core Department & Agencies £000	Departmental Group £000
<b>Staff costs<sup>[1]</sup></b>					
Wages and salaries		685,465	688,436	649,574	652,387
Social security costs		35,237	35,537	31,847	32,139
Other pension costs		114,646	115,241	109,698	110,205
Recoveries outward secondments		(2,718)	(2,718)	(2,679)	(2,679)
Apprenticeship levy costs		1,638	1,638	857	857
		834,268	838,134	789,297	792,909
<b>Grants<sup>[4]</sup></b>					
Diplomatic Programmes including Prosperity Fund		411,003	411,003	322,526	337,931
British Council		148,700	148,700	191,500	191,500
Conflict, Stability and Security Fund programmes		776,133	776,133	787,248	787,248
Peacekeeping foreign exchange rate loss/(gain)		(9,414)	(9,414)	(19,477)	(19,477)
Humanitarian Assistance Payments		589,897	589,897	418,235	418,235
Trust Funds contributions		490,984	490,984	531,998	531,998
Voluntary contributions		1,236,802	1,236,802	1,765,743	1,765,743
Core contributions		2,273,319	2,273,319	1,949,386	1,949,386
Accountable Grant Payments		782,591	782,591	833,617	833,617
Other <sup>[6]</sup>		991,611	1,017,419	1,111,913	1,140,769
		7,691,626	7,717,434	7,892,689	7,936,950
<b>Promissory notes<sup>[2]</sup></b>					
Promissory note deposits		1,515,283	1,515,283	1,395,069	1,395,069
		1,515,283	1,515,283	1,395,069	1,395,069
<b>Subscriptions to International Organisations</b>					
Subscriptions to International organisations (inc NATO, UN & Council of Europe)		190,235	190,235	156,447	156,447
		190,235	190,235	156,447	156,447
<b>Rentals under operating leases</b>					
Rentals under operating leases		134,302	134,302	132,997	132,997
Hire of Plant & Machinery		6,673	6,673	10,857	10,857
		140,975	140,975	143,854	143,854
<b>Other costs</b>					
Reimbursements of duties to other Governments		36,679	36,679	38,365	38,365
Audit fees for Arms Length Bodies		–	47	–	40
Auditors' remuneration and expenses – cash <sup>[5]</sup>		8	8	36	36
(Gain)/loss on exchange – realised		1,039	1,039	(110)	(110)
(Gain)/loss on exchange – unrealised		14,017	14,136	1,657	1,658

	Note	2020-21		2019-20 (Restated)	
		Core Department & Agencies £000	Departmental Group £000	Core Department & Agencies £000	Departmental Group £000
		Business hospitality		4,838	4,838
Consular		12,981	12,981	3,407	3,407
Contractor, consultancy and fee based services		35,081	35,081	31,873	31,873
Estate, security and capital related costs		277,501	277,501	291,430	291,430
Grant in Aid to other Arms Length Bodies		31,756	–	34,577	–
Information and commercial services		5,734	5,734	8,440	8,440
IT and communications		187,092	187,092	171,689	171,689
Medical		9,334	9,334	8,282	8,282
On-balance sheet PFI contracts		2,024	2,024	2,114	2,114
Recruitment		860	860	1,851	1,851
Representation		955	955	2,621	2,621
Research & Development		27,085	27,085	23,956	23,956
Service element of on-balance sheet contracts		2,337	2,337	2,173	2,173
Transport equipment costs		5,194	5,194	7,825	7,825
Training		12,540	12,540	16,423	16,423
Travel		21,226	21,226	69,320	69,320
Programme Delivery		862,844	862,844	896,572	896,572
Other Non Programme Costs		37,562	51,251	56,310	56,310
		<b>1,588,687</b>	<b>1,570,786</b>	<b>1,680,978</b>	<b>1,646,442</b>
<b>Total Cash</b>		<b>11,961,074</b>	<b>11,972,847</b>	<b>12,058,334</b>	<b>12,071,671</b>
<b>Non-cash items</b>					
Depreciation: Property, plant and equipment	5	169,759	169,770	163,279	163,340
Amortisation: Intangible assets		2,986	2,987	3,618	3,618
Non-perpetual leasehold land prepayment release		674	674	671	671
Loss on disposal of property, plant and equipment		381	390	534	574
Loss on disposal of intangible assets		23	23	139	139
Gain on disposal of investments		(1,227)	(1,227)	(167)	(167)
Capital Grant in Kind <sup>[5]</sup>	5	1,585,521	1,585,521	–	–
Impairments – Net of reversals – DEL		27,419	27,419	20,158	20,158
Impairments – AME		108,801	108,801	7,731	7,731
Financial Guarantee		105,000	105,000	–	–
Revaluation of investments through profit and loss	6	4,394	4,394	5,712	5,712
Reversal of Impairments – Annually Managed Expenditure		(19,151)	(19,151)	(12,927)	(12,927)
Auditors' remuneration and expenses <sup>[5]</sup>		986	986	728	728
		<b>1,985,566</b>	<b>1,985,587</b>	<b>189,476</b>	<b>189,577</b>

	Note	2020-21		2019-20 (Restated)	
		Core Department & Agencies £000	Departmental Group £000	Core Department & Agencies £000	Departmental Group £000
Provisions: Provided in year	11	513,228	513,228	11,398	11,398
Provisions: Written back	11	(11,609)	(11,609)	(2,293)	(2,328)
Provisions: Unwinding of discount	11	9,202	9,202	18,671	18,671
Other discounting		(3,089)	(3,089)	(4,166)	(4,166)
Exchange Rate (gains)/ losses		343	343		
Unrealised (gains)/losses on forward contracts		54,894	54,894	(31,120)	(31,120)
		<b>562,969</b>	<b>562,969</b>	<b>(7,510)</b>	<b>(7,545)</b>
<b>Total Non-Cash</b>		<b>2,548,535</b>	<b>2,548,556</b>	<b>181,966</b>	<b>182,032</b>
<b>Total Expenditure</b>		<b>14,509,609</b>	<b>14,521,403</b>	<b>12,240,300</b>	<b>12,253,703</b>

- [1] For more information on staff costs refer to the Staff Report section of the Remuneration Report.
- [2] In 2020-21 1 (2019-20: 2) PN was cancelled with a total value of £3.1m (2019-20: £29.1m). This value is netted off the total PN deposit value.
- [3] Grant-in-kind in 2020-21 reflected the following transfers:
- EBRD shares to HM Treasury at a value of £1,309.9 million on 31 March 2021
  - Transfer of the freehold and associated agreements for 2 London properties (King Charles Street and 22 Whitehall) and Abercrombie House in East Kilbride to the Government Property Agency (GPA) on 31 March 2021 at a valuation of £275.6 million.
- [4] Note 3 analysis of grant expenditure is by type of grant legacy DFID and by objective legacy FCO to provide consistency with prior year reporting.
- [5] A breakdown of audit fees paid to the NAO can be found in the Accountability Report.
- [6] Other Grants comprises of a variety of programmes including debt relief payments, joint programme contributions and other financial aid to government.

## 4. Income

	2020-21		2019-20 (Restated)	
	Core Department & Agencies £000	Departmental Group £000	Core Department & Agencies £000	Departmental Group £000
<b>Revenue from contracts with customers</b>				
Income from OGDs <sup>[1]</sup>	214,757	214,757	217,043	217,043
Income from other organisations <sup>[2]</sup>	9,069	9,404	6,843	7,701
Consular fees <sup>[3]</sup>	14,517	14,517	23,235	23,235
Running cost receipts <sup>[4]</sup>	18,901	18,901	29,190	29,190
	<b>257,244</b>	<b>257,579</b>	<b>276,311</b>	<b>277,169</b>
<b>Other operating income</b>				
Notional income <sup>[5]</sup>	36,762	36,762	36,368	36,368
Dividends receivable – FCDO Services	2,100	2,100	2,097	2,097
Interest on loans	3,292	3,292	3,818	3,818
	<b>42,154</b>	<b>42,154</b>	<b>42,283</b>	<b>42,283</b>
<b>Total operating income</b>	<b>299,398</b>	<b>299,733</b>	<b>318,594</b>	<b>319,452</b>
<b>Finance income</b>				
Gain on disposal of investments	–	–	–	–
Profit on disposal of property, plant and equipment	4,825	4,825	26,857	26,857
	<b>4,825</b>	<b>4,825</b>	<b>26,857</b>	<b>26,857</b>
<b>Income due to the Consolidated Fund</b>				
Consolidated Fund Extra Receipts <sup>[6]</sup>	750	750	3,514	3,514
	<b>750</b>	<b>750</b>	<b>3,514</b>	<b>3,514</b>
<b>Income of consolidated bodies</b>				
Agency: Wilton Park	2,683	2,683	3,860	3,860
Non-Departmental Public Bodies	–	11,904	–	12,815
	<b>2,683</b>	<b>14,587</b>	<b>3,860</b>	<b>16,675</b>
<b>Total Income</b>	<b>307,656</b>	<b>319,895</b>	<b>352,825</b>	<b>366,498</b>

- [1] This includes the income from partner departments that use our overseas platform. Income from OGDs are not subject to impairment, billing is made via a standard contract for platform charges, residential accommodation and other central charges. OGDs are largely charged on a per capita basis.
- [2] This includes income from partner countries to help fund FCDO managed projects overseas. Income from other organisations is given to support overseas programmes carried out by the FCDO. Work supported by donor countries is scaled up and down as donations are received.
- [3] Consular fees are based on statutory authority, and are drawn down from the Consolidated Fund as a reserve claim, transferred to the FCDO from HMT through the supplementary estimate process in each year. Consular fees are statutory based and see further information given in the Accountability Report under Consular Fees & Charges. Consular fees (comprising of Emergency Travel Documents and Legalisation fees) have reduced by £9 million compared to the previous year due to COVID-19 travel restrictions. Legalisation is a statutory duty undertaken by the FCDO, fees are set in line with HMT guidelines. This is a direct charge for the service provided. Fees are set to break even over the Spending Review period. The fees are normally non-refundable unless the FCDO is at fault.

- [4] Running costs receipts are recovered under Memorandums of Understanding (MOUs) and signed letters of agreement with partner organisations. These receipts include secondment recoveries, rent, selling to wider markets, sponsorship income and recovery of overseas platform costs from organisations outside of One HMG.
- [5] Notional income reflecting the release of discounting on loans.
- [6] Income collected by the FCDO where it was acting as agent for the Consolidated Fund rather than as principal is excluded from note 4. Details of the amount and balance held at the year-end date are given in SOPS note 4.2. The FCDO recognises income as costs are incurred, which measures the transfer of control to the customer. Balance of contract asset and contract liabilities held at reporting date can be found in note 9 and 10.

## 5. Property, Plant and Equipment

	Consolidated 2020-21											
	Non-residential Land	Buildings Excluding Dwellings	Non-residential Enhancements	Residential Land	Dwellings	Residential Enhancements	Information Technology	Transport Equipment	Plant and Machinery	Antiques and Works of Art	Assets Under Construction	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>Cost or Valuation</b>												
As at 1 April 2020 (Restated)	487,879	1,761,954	102,511	444,324	1,279,303	3,095	270,963	119,991	260,399	19,460	141,805	4,891,684
Additions	–	1,436	92	–	–	–	2,322	2,128	13,778	–	96,244	116,000
Disposals	–	(2)	(6,175)	–	(3)	–	(36,924)	(10,739)	(25,177)	–	–	(79,020)
Impairments	(20,401)	(25,309)	–	(31,619)	(7,627)	–	(264)	(363)	(791)	–	(20,520)	(106,894)
Reversals of Impairments	3,372	19,448	–	38	1,124	–	–	26	–	460	–	24,468
Reclassification	(2,446)	(9,454)	23,728	(226)	6,239	1,997	6,356	9,418	6,624	–	(63,617)	(21,381)
Revaluation	(33,521)	(16,735)	–	(128,789)	192,176	–	(900)	2,326	7,325	271	(11)	22,142
Transfer of assets to GPA	(164,268)	(165,559)	–	–	–	–	–	–	(8,930)	–	–	(338,757)
<b>As at 31 March 2021</b>	<b>270,615</b>	<b>1,565,779</b>	<b>120,156</b>	<b>283,728</b>	<b>1,471,212</b>	<b>5,092</b>	<b>241,553</b>	<b>122,787</b>	<b>253,228</b>	<b>20,191</b>	<b>153,901</b>	<b>4,508,242</b>
<b>Depreciation</b>												
As at 1 April 2020 (Restated)	–	766,683	66,155	–	551,701	1,906	168,986	79,204	153,824	–	–	1,788,459
Charged in Year	–	45,089	9,355	–	32,711	819	42,789	14,875	24,132	–	–	169,770
Impairments	–	(4,231)	–	–	(577)	–	(53)	(247)	(479)	–	–	(5,587)
Reversals of Impairments	–	4,961	–	–	369	–	(17)	4	–	–	–	5,317
Reclassification	–	(4,875)	–	–	(318)	–	(121)	–	(1,088)	–	–	(6,402)
Revaluation	–	22,789	–	–	106,161	–	(538)	1,322	3,696	–	–	133,430
Transfer of assets to GPA	–	(60,321)	–	–	–	–	–	–	(2,861)	–	–	(63,182)
Disposals	–	(1)	(6,175)	–	(1)	–	(36,716)	(10,663)	(25,051)	–	–	(78,607)
<b>As at 31 March 2021</b>	<b>–</b>	<b>770,094</b>	<b>69,335</b>	<b>–</b>	<b>690,046</b>	<b>2,725</b>	<b>174,330</b>	<b>84,495</b>	<b>152,173</b>	<b>–</b>	<b>–</b>	<b>1,943,198</b>
<b>Net Book Value at 1 April 2020 (Restated)</b>	<b>487,879</b>	<b>995,271</b>	<b>36,356</b>	<b>444,324</b>	<b>727,602</b>	<b>1,189</b>	<b>101,977</b>	<b>40,787</b>	<b>106,575</b>	<b>19,460</b>	<b>141,805</b>	<b>3,103,225</b>
<b>Net Book Value at 31 March 2021</b>	<b>270,615</b>	<b>795,685</b>	<b>50,821</b>	<b>283,728</b>	<b>781,166</b>	<b>2,367</b>	<b>67,223</b>	<b>38,292</b>	<b>101,055</b>	<b>20,191</b>	<b>153,901</b>	<b>2,565,044</b>

	Consolidated 2020-21											
	Non-residential Land	Buildings Excluding Dwellings	Non-residential Enhancements	Residential Land	Dwellings	Residential Enhancements	Information Technology	Transport Equipment	Plant and Machinery	Antiques and Works of Art	Assets Under Construction	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>Asset Financing</b>												
Owned	225,685	522,106	50,821	236,852	529,697	2,367	67,223	38,292	101,055	20,191	153,901	1,948,190
Leased	29,391	250,629	–	46,876	251,469	–	–	–	–	–	–	578,365
On-Balance Sheet (SOFP) PFI Contracts	15,539	22,950	–	–	–	–	–	–	–	–	–	38,489
<b>Net Book Value at 31 March 2021</b>	<b>270,615</b>	<b>795,685</b>	<b>50,821</b>	<b>283,728</b>	<b>781,166</b>	<b>2,367</b>	<b>67,223</b>	<b>38,292</b>	<b>101,055</b>	<b>20,191</b>	<b>153,901</b>	<b>2,565,044</b>
<b>Of the Total</b>												
Department	270,615	795,685	50,258	283,728	781,166	2,367	66,989	38,288	100,926	20,191	153,875	2,564,088
Agencies	–	–	563	–	–	–	234	4	128	–	26	955
ALBs	–	–	–	–	–	–	–	–	1	–	–	1
<b>Net Book Value at 31 March 2021</b>	<b>270,615</b>	<b>795,685</b>	<b>50,821</b>	<b>283,728</b>	<b>781,166</b>	<b>2,367</b>	<b>67,223</b>	<b>38,292</b>	<b>101,055</b>	<b>20,191</b>	<b>153,901</b>	<b>2,565,044</b>

	Consolidated 2019-20 (Restated)												
	Fixtures and Fittings	Non-residential Land	Buildings Excluding Dwellings	Non-residential Enhancements	Residential Land	Dwellings	Residential Enhancements	Information Technology	Transport Equipment	Plant and Machinery	Antiques and Works of Art	Assets Under Construction	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>Cost or Valuation</b>													
As at 1 April 2019	6,018	476,996	1,636,199	94,364	492,617	1,113,554	2,812	347,873	117,108	246,701	17,207	130,647	4,682,096
Additions	2,861	10	120	531	1,393	3,250	–	6,885	3,445	7,660	–	130,893	157,048
Donations	–	–	–	–	–	–	–	–	–	–	–	–	–
Disposals	(779)	–	(386)	(196)	–	(10)	(40)	(112,297)	(12,814)	(10,536)	–	–	(137,058)
Impairments	(5,881)	(638)	(1,268)	(973)	(4,291)	(2,783)	(155)	(1,296)	(814)	(6,589)	(36)	(17,431)	(42,155)
Reversals of Impairments	–	2,160	5,494	–	4,325	1,846	–	219	–	143	943	–	15,130
Reclassification	(2,240)	76	9,023	8,785	4,438	7,783	477	24,939	13,155	18,524	(1)	(102,304)	(17,345)
Revaluation	21	9,275	112,772	–	(54,158)	155,663	1	4,640	(89)	4,496	1,347	–	233,968
Transfer of assets to GPA	–	–	–	–	–	–	–	–	–	–	–	–	–
<b>As at 31 March 2020</b>	<b>–</b>	<b>487,879</b>	<b>1,761,954</b>	<b>102,511</b>	<b>444,324</b>	<b>1,279,303</b>	<b>3,095</b>	<b>270,963</b>	<b>119,991</b>	<b>260,399</b>	<b>19,460</b>	<b>141,805</b>	<b>4,891,684</b>
<b>Depreciation</b>													
As at 1 April 2019	2,060	–	671,054	59,895	–	472,315	1,865	234,381	77,717	143,945	–	–	1,663,232
Charged in Year	776	–	44,467	7,312	–	29,184	200	44,923	15,019	21,459	–	–	163,340
Impairments	(1,949)	–	(295)	(615)	–	(582)	(119)	(901)	(672)	(4,351)	–	–	(9,484)
Reversals of Impairments	–	–	1,606	–	–	511	–	53	–	33	–	–	2,203
Reclassification	(439)	–	–	(241)	–	(4,566)	–	2	–	679	–	–	(4,565)
Revaluation	4	–	50,237	–	–	54,849	–	2,773	(203)	2,217	–	–	109,877
Transfer of assets to GPA	–	–	–	–	–	–	–	–	–	–	–	–	–
Disposals	(452)	–	(386)	(196)	–	(10)	(40)	(112,245)	(12,657)	(10,158)	–	–	(136,144)
<b>As at 31 March 2020</b>	<b>–</b>	<b>–</b>	<b>766,683</b>	<b>66,155</b>	<b>–</b>	<b>551,701</b>	<b>1,906</b>	<b>168,986</b>	<b>79,204</b>	<b>153,824</b>	<b>–</b>	<b>–</b>	<b>1,788,459</b>

	Consolidated 2019-20 (Restated)												
	Fixtures and Fittings	Non- residential Land	Buildings Excluding Dwellings	Non- residential Enhance- ments	Resid- ential Land	Dwellings	Resid- ential Enhance- ments	Inform- ation Tech- nology	Tran- sport Equip- ment	Plant and Mach- inery	Antiques and Works of Art	Assets Under Con- struction	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>Net Book Value at 1 April 2019</b>	<b>3,958</b>	<b>476,996</b>	<b>965,145</b>	<b>34,469</b>	<b>492,617</b>	<b>641,239</b>	<b>947</b>	<b>113,492</b>	<b>39,391</b>	<b>102,756</b>	<b>17,207</b>	<b>130,647</b>	<b>3,018,864</b>
<b>Net Book Value at 31 March 2020</b>	<b>–</b>	<b>487,879</b>	<b>995,271</b>	<b>36,356</b>	<b>444,324</b>	<b>727,602</b>	<b>1,189</b>	<b>101,977</b>	<b>40,787</b>	<b>106,575</b>	<b>19,460</b>	<b>141,805</b>	<b>3,103,225</b>
<b>Asset Financing</b>													
Owned	–	417,335	732,450	36,356	329,369	493,466	1,189	101,977	40,787	106,575	19,460	141,805	2,420,769
Leased	–	53,439	242,985	–	114,955	234,136	–	–	–	–	–	–	645,515
On-Balance Sheet (SOPF) PFI Contracts	–	17,105	19,836	–	–	–	–	–	–	–	–	–	36,941
<b>Net Book Value at 31 March 2020</b>	<b>–</b>	<b>487,879</b>	<b>995,271</b>	<b>36,356</b>	<b>444,324</b>	<b>727,602</b>	<b>1,189</b>	<b>101,977</b>	<b>40,787</b>	<b>106,575</b>	<b>19,460</b>	<b>141,805</b>	<b>3,103,225</b>
<b>Of the Total</b>													
Department	–	487,879	995,271	35,783	444,324	727,602	1,189	101,779	40,782	106,420	19,460	141,756	3,102,246
Agencies	–	–	–	409	–	–	–	186	5	154	–	49	803
ALBs	–	–	–	164	–	–	–	12	–	1	–	–	177
<b>Net Book Value at 31 March 2020</b>	<b>–</b>	<b>487,879</b>	<b>995,271</b>	<b>36,356</b>	<b>444,324</b>	<b>727,602</b>	<b>1,189</b>	<b>101,977</b>	<b>40,787</b>	<b>106,575</b>	<b>19,460</b>	<b>141,805</b>	<b>3,103,225</b>

## Notes to Property, Plant and Equipment

### *Property Valuations:*

Physical inspections to inform valuations of properties were last carried out as follows:

<b>Property Location</b>	<b>Valuer for 2020-21 Financial Year desktop valuation update</b>	<b>Most recent valuation through physical inspection</b>
Asia Pacific and South Asia and Afghanistan (Asia Pacific Directorate) (South Asia & Afghanistan Directorate)	Colliers International	30 September 2018
European Union; Wider Europe and Russia; Caucasus; Central Asia (Europe Directorate) (Eastern Europe and Central Asia Directorate)	Colliers International	30 September 2017
Middle East & North Africa (Middle East & North Africa Directorate)	Knight Frank	30 September 2016
Sub-Saharan Africa (Africa Directorate)	Colliers International	30 September 2015
Americas (Americas Directorate)	Knight Frank	30 September 2019

Desktop valuation updates were carried out for all FCDO properties as at 30 September 2020. Desktop updates performed did not represent full valuation exercises, however included indexation for market movements, update to valuations through the use of comparison methodologies or roll forward of depreciated replacement cost valuations with consideration of relevant factors such as obsolescence. These desktop valuation updates were carried out for the following directorate regions: Asia Pacific, South Asia and Afghanistan, Europe, Home Estate (UK), Eastern Europe and Central Asia by Colliers International using RICS registered valuers. Americas, Middle East and North Africa were valued by Knight Frank Chartered Surveyors using RICS registered valuers. End of year impairments were assessed by Colliers International and Knight Frank in conjunction with in-house FCDO chartered surveyors. The total fees payable to the valuers in all cases represent less than 5% of the total fee income of the valuing firm/body.

Sub-Saharan Africa (Africa Directorate) was scheduled to be physically inspected and valued in September 2020 by Knight Frank Chartered Surveyors, however the COVID-19 pandemic restricted travel severely during this year and this exercise was not possible. These assets were therefore not inspected and desktop valuation update procedures performed in its place. When travel restrictions ease, and per the FCDO travel advice, the Africa assets will be inspected and the full valuation exercise performed for this region.

### ***Impact of COVID-19***

From March 2020 onwards many property markets worldwide were impacted after COVID-19 was declared as a “Global Pandemic” by the World Health Organization. At that time, it became common for Valuation Uncertainty clauses to be included within valuation reports as recommended by the RICS on 17 March 2020. This reflected the fact that markets had either slowed down or in some cases ceased to operate and the

volume of transactions decreased across the vast majority of property markets and property sectors.

In September 2020 RICS recommended that material valuation uncertainty should no longer apply to most sectors and assets in the UK. However, outside the UK, countries were impacted to different degrees, and as a consequence some element of uncertainty remains, with some countries being worse affected than others. In general, for developed economies the residential property market has recovered better than the non-residential property market.

As at the valuation date, our valuers continue to consider that they can attach less weight to previous market evidence for comparison purposes, to inform opinions of value. Our valuers continue to caveat their overseas property valuations on this basis although there has been more comparable evidence than last year but not as much as before the pandemic. Our valuation of land and buildings is therefore reported on the basis of ‘material valuation uncertainty’ as per VPS 3 and VPGA 10 of the RICS Red Book Global. Consequently, less certainty – and a higher degree of caution – should be attached to our valuation than would normally be the case. Given the unknown future impact that COVID-19 might have on the real estate market, the FCDO will be keeping the valuations under frequent review. We do however, consider that the uncertainty referenced by the valuers is lower than the previous year, continues to decrease, and is not consistent across the portfolio, where the uncertainty in some regions is not deemed to be significant.

Red Book Global Standards defines material uncertainty as ‘where the degree of uncertainty in a valuation falls outside any parameters that might normally be expected and accepted’ (VPS 3.2.2 (o)). It also

explains circumstances of material uncertainty to assist the valuation process (with additional guidance in VPGA 10), but the decision to declare it remains with the independent valuer.

A key point is to ensure that those utilising these valuations are not misled. The inclusion of the “material valuation uncertainty” clause is not to be interpreted that the valuations cannot be relied upon. It is there to highlight that the valuations should be viewed with a much greater degree of caution at this time and due to the above mentioned unforeseen natural event, COVID-19.

### ***Impact of valuation movements***

The FCDO assess material market movements between the date of measurement (30 September) and the year end (31 March). This was based on the top 20 assets by value, which were revalued to 31 March values. For 2020-21, properties in Myanmar were also revalued as at 31 March 2021 due to the political situation in the country. This assessment is required annually as the FCDO uses a non-coterminous year-end valuation of land and buildings. The non-coterminous year-end valuation is driven by the requirement to revalue the entire FCDO portfolio worldwide, which would delay the publication of the FCDO’s Annual Report & Accounts beyond the administrative deadline set by HMT. The FCDO’s property database was updated to replace FX rates as at 30 September 2020 with those as at 31 March 2021, and the valuations shown in Note 5 amended for changes in FX rates.

The FX movement between 30 September 2020 and 31 March 2021 amounted to £129.3 million and this is shown as a revaluation movement. As noted this movement was reflected in Note 5 above.

### **Impact of the merger with DFID**

Property, plant and equipment accounting policies have been aligned due to the merger of FCO and DFID. Previously DFID applied a minimum level for capitalisation of a single asset of £1,000, however this is now £10,000 with the exception of Land, Buildings, Antiques and Works of Art, where the threshold is aligned with the previous FCO threshold of £3,000. Furniture is also no longer capitalised. This has resulted in an adjustment of £4.8 million representing the net book value of assets which have been impaired and removed from the DFID fixed asset register – £4.6 million of property, plant and equipment and £0.2 million of intangible assets. Assets with a net book value of £2.0 million have also been reclassified from the DFID asset categories of ‘Leasehold Related Assets’ and ‘Furniture and Fittings’ to the FCDO asset category of ‘Plant and Machinery’.

### **Transfer of UK estate to the Government Property Agency**

The Foreign Secretary transferred all rights and obligations under the freehold and associated agreements for King Charles Street, 22 Whitehall, and Abercrombie House to the Government Property Agency (GPA) on 31 March 2021. The GPA is an executive agency of the Cabinet Office. This inter-departmental transfer of civil estate property took place at fair value and for nil consideration. The FCDO has issued a capital grant in kind equal to the value of the assets as at the point of transfer. The fair value of the property at the date of transfer is shown in the table below. The land and buildings have been removed from Note 5. This transfer is budget neutral.

The GPA agreed with the FCDO to include in the transfer some plant and machinery, which has been at the request of the GPA merged into the building valuation. The valuation was carried out by Colliers on the three buildings with effect as at 30 September 2020. An impairment review was conducted in April to update the value with effect as at 31 March 2021.

### **Specialised Properties**

Specialised properties have been valued using Depreciated Replacement Cost (DRC) methodology on a Modern Equivalent Replacement basis ignoring listed status (where relevant). It should be noted that DRC valuations are only relevant subject to the continuing prospect of the property in question remaining viable and occupied. In the event the property is no longer required for service delivery then the achievable Market Value of the asset may be significantly less or more than the value now reported on a DRC basis. In cases where DRC valuations have been applied, Market Values are also supplied by the valuers to the FCDO for comparison purposes.

All the valuations have been prepared in accordance with the Royal Institution of Chartered Surveyors Valuation Professional Standards (Global and UK) January 2014. All valuers are experienced and qualified Chartered Valuation Surveyors and Registered Valuers with relevant knowledge, skill and understanding. The desktop valuation updates have been undertaken by way of a review of the valuations previously supplied by external Chartered Valuation Surveyors. Where possible, in arriving at an

<b>£m NBV</b>	<b>King Charles St</b>	<b>Abercrombie House</b>	<b>22 Whitehall</b>
Land	122.6	1.5	40.2
Building	80.5	3.5	27.3
<b>Total</b>	<b>203.1</b>	<b>5</b>	<b>67.5</b>

opinion of Market Value and/or Fair Value, observable prices and market data relating to actual transactions involving comparable properties has been utilised. For a number of properties, however, it has been necessary to rely on information obtained from market indices and benchmarks, informal advice received from local estate professionals and valuer judgement. These valuations are valid as at 30 September 2020, and reviewed at the reporting date for any material impact from global market volatility. Unless there are material changes the valuation is not changed from that as 30 September.

The FCDO also holds a number of cemeteries across the world which are classified as non-operational assets, and as such, have de minimis carrying values. The cemeteries were purchased from public subscriptions. The cemeteries are held in

the Embassy name for the local British Community.

### ***Leased Properties***

The leased properties disclosed constitute two elements 1) Leasehold buildings £502.1 million; 2) Leases for ground rent held in perpetuity £76.3 million, which are treated as akin to freehold tenure and disclosed within land. Neither category is regarded as a finance lease.

### ***Antiques and Works of Art***

Valuation visits for Antiques and Works of Art were not possible due to COVID-19 pandemic travel restrictions. Instructions will be issued to AWA valuers following a tender exercise. Assuming travel restrictions are eased, inspections and valuations will be scheduled for 2021-22 onwards.

## **5.1 Assets Held for Sale**

The following assets are classified as held for sale:

<b>Overseas Properties</b>	<b>2020-21 £000</b>	<b>2019-20 £000</b>
<b>Balance as at 1 April</b>	15,216	10,617
Reclassification to Assets Held For Sale at Carrying Value	14,979	7,835
Revaluation to Fair Value Less Costs to Sell	(1,980)	(77)
(Impairments)/Reversals	(209)	–
Disposals	(6,459)	(3,159)
<b>Balance as at 31 March</b>	<b>21,547</b>	<b>15,216</b>

The FCDO manages its property portfolio in line with its dynamic business needs, including investment in new properties and disposal of those no longer required. Capital disposal receipts are retained for further investment by the FCDO as agreed with HMT. These assets are included as current assets on the SoFP.

### ***Proceeds from Assets Sales***

In 2020-21 proceeds from the sale of assets mainly consisted of £1.6 million deferred income from the sale of the Bangkok compound in 2017-18, £6.3 million from the sale of property in Australia and £1.2 million from the sale of property in Argentina.

## 6 Financial investments

	2020-21					Total £000
	Other development capital £000	International Financial Institutions £000	CDC Group plc £000	Other Public Sector Bodies £000		
<b>At 1 April 2020</b>	229,475	5,014,016	6,106,800	4,982	<b>11,355,273</b>	
Additions	52,767	95,101	650,000	1,156	<b>799,024</b>	
Disposals	(771)	–	–	–	<b>(771)</b>	
Transfer of asset to HM Treasury	–	(1,309,946)	–	–	<b>(1,309,946)</b>	
(Losses)/Gains taken to other comprehensive income	(7,590)	(260,926)	48,800	(1,156)	<b>(220,872)</b>	
Losses taken to profit and loss	(4,394)	–	–	–	<b>(4,394)</b>	
Financing cost <sup>[1]</sup>	377	–	–	–	<b>377</b>	
<b>At 31 March 2021</b>	<b>269,864</b>	<b>3,538,245</b>	<b>6,805,600</b>	<b>4,982</b>	<b>10,618,691</b>	
<b>At 1 April 2019</b>	165,999	4,796,738	5,854,500	4,981	<b>10,822,218</b>	
Additions	71,343	45,714	955,000	927	<b>1,072,984</b>	
Disposals	(2,202)	–	–	–	<b>(2,202)</b>	
(Losses)/Gains taken to other comprehensive income	(1,982)	171,564	(702,700)	–	<b>(533,118)</b>	
Losses taken to profit and loss	(4,786)	–	–	(926)	<b>(5,712)</b>	
Financing cost <sup>[1]</sup>	1,103	–	–	–	<b>1,103</b>	
<b>At 31 March 2020</b>	<b>229,475</b>	<b>5,014,016</b>	<b>6,106,800</b>	<b>4,982</b>	<b>11,355,273</b>	

[1] Financing cost is the release of discounting on returnable grants.

The FCDO has made the irrevocable election available in IFRS 9 to measure equity investments (other development capital equity investments, International Financial Institutions, CDC and INSTEX within Other Public Sector Bodies) at fair value through other comprehensive income because they are not held for trading and to be consistent with previous treatment under IAS 39. FCDO Services within Other Public Sector Bodies is public dividend capital therefore not a financial instrument under FReM and so is held at historical cost. Further information is available in Accounting Policy 1.21. The above financial investments relate to investments held by the FCDO.

### *Other development capital*

Other development capital (DC) assets are investments made by the FCDO to achieve defined development objectives while retaining an ongoing, recoverable interest in the assets funded. As at 31 March 2021, these include equity investments (£131.7 million), debt instruments (£96.3 million), convertible loans (£23.5 million) and other returnable grant arrangements (£18.4 million), the terms of which will vary depending on programme circumstances. The convertible loans are embedded derivatives.

Further information on the basis of valuation of these investments can be found in Accounting Policy 1.21.

Included within DC assets is FCDO's investment in the Asia Climate Partners Fund and the IFC Catalyst Fund. Both investments are denominated in US dollars. The investments were made by way of laying a US dollar promissory note payable on demand. The initial recognition of the investments in 2014-15 was at fair value which was the sterling equivalent of the promissory note on the date of deposit (£24.8 million and £9.9 million for the Asia Climate Partners Fund and the IFC Catalyst Fund respectively). Subsequently, the investment is carried at fair value of the encashed value of the promissory note and any gains and losses in fair value are recognised in the Revaluation Reserve.

During 2019-20, the remaining balance of the Promissory Note to Asia Climate Partners Fund of £22.7 million was cancelled and Asia Climate Partners Fund will be wound down in 2021-22. The promissory note was originally US\$38.9 million (£24.8 million) and of this, US\$9.6 million (£6.8 million) was drawn down leaving US\$29.3 million (£22.7 million). The foreign exchange gain was recognised as part of the revaluation of promissory notes in 2019-20.

### ***International financial institutions***

Investments in IFIs are valued at fair value. There is no market in these investments – all shareholders are sovereign states. Fair value has been assessed as FCDO's share of the net assets of the IFIs, based on the number of shares subscribed by the FCDO. The Articles of Agreement of all the IFIs specify that this is the value that the FCDO would receive on the dissolution of the IFIs.

During 2020-21, the FCDO transferred its investments and associated callable capital in European Bank for Reconstruction and Development (EBRD) to HM Treasury. The fair value of the investment at the point of transfer was £1,310 million (equivalent of €1,538 million) and the callable capital was £1,723 million (equivalent of €2,023 million).

All investments in IFIs are denominated in a currency other than sterling. The FCDO is therefore exposed to currency risk if the value of these currencies was to fall against sterling. The FCDO is also exposed to market risk, as the value of each investment is dependent upon the net assets of the IFIs.

Further information on the basis of valuation of these investments can be found in Accounting Policy 1.21.

Base currencies of investments in IFIs are shown below. Figures in US dollars include those bodies for which the US dollar is used as the working equivalent for units of account formally expressed in Special Drawing Rights (SDRs).

	2020-21		2019-20	
	Currency 000	£000	Currency 000	£000
International Bank for Reconstruction and Development	\$1,696,512	1,232,261	\$1,746,820	1,411,413
European Bank for Reconstruction and Development	–	–	€1,399,760	1,244,064
International Finance Corporation	\$1,385,159	1,006,110	\$1,198,354	968,258
Asian Development Bank	\$1,072,552	779,048	\$1,057,916	854,785
Inter-American Development Bank	\$324,316	235,567	\$326,185	263,554
African Development Bank (in Units of Account)	165,820	170,736	133,802	147,739
Caribbean Development Bank	\$90,129	65,465	\$86,886	70,203
Multilateral Investment Guarantee Agency	\$67,539	49,058	\$66,832	54,000
		<b>3,538,245</b>		<b>5,014,016</b>

## CDC

The FCDO, on behalf of the UK Government, owns 100% of the issued ordinary share capital of CDC Group plc, an investment company that invests in private sector businesses in low-income countries. CDC aims to demonstrate that it is possible to invest successfully in challenging environments, thereby attracting other sources of capital including fully commercial capital. The FCDO agrees CDC's high-level strategy but has no involvement in CDC's day-to-day decision making which is carried out by the CDC Board of Directors and management.

HM Treasury requires that self-financing public corporations achieve a rate of return, described as 'cost of capital', to ensure that the opportunity cost of departments' investments is covered. If the corporation does not meet its rate of return over each Comprehensive Spending Review period, then the shareholding department may face a further charge to the extent that such a return has not been met. CDC investments aim to achieve returns from capital appreciation, investment income or both. All CDC's profits are reinvested in businesses throughout its target emerging markets. Information on CDC's strategies

can be found at <https://www.cdcgroup.com/en/our-approach/>.

In 2017, CDC and DFID (now the FCDO) agreed a new strategic framework for the 5 years to 2021 to support the FCDO's economic development policy. The new framework is an extension of the 2012 investment policy whereby CDC invests only in Africa and South Asia, seeking to focus in the countries and sectors where there is the most potential for development impact. This provides the added ability for CDC to make investments under a new Higher Risk Portfolio to generate significant development impact by accepting greater risks that would not be possible under the existing Commercial Risk Portfolio. Further information on CDC is provided in the Governance Report within the 2020 Annual Accounts pages 32-65. A new strategic framework is currently being drafted between CDC and the FCDO which will be adopted from 2022.

The fair value of the CDC investment is based on the net asset value of CDC per the audited financial statements at 31 December 2020 which are prepared in accordance with applicable law and International Financial Reporting Standards ([www.cdcgroup.com/](http://www.cdcgroup.com/)

Corporate-information/Published-Information/). This is then adjusted for any additions or disposals to 31 March 2021 and a post-financial statement review of CDC is performed to 31 March 2021 to identify other possible adjustments. At 31 March 2021, this post-financial statement review noted no material change to FCDO's investment.

The FCDO's fair value of its investment in CDC increased by £698.8 million during the year to 31 March 2021 due to further shares being subscribed of £650.0 million (detailed below), an audited loss to 31 December 2020 of £282.1 million and reversal of the previous estimated negative impact of £330.9 million for the 3 months to 31 March 2020. The audited loss to 31 December 2020 is largely as a result of the COVID-19 pandemic and partly foreign exchange losses due to an increase in the Sterling to US dollar exchange rate in the year as the majority of CDC's investments are held in US dollars. Other factors include increased volatility in Africa and India financial stocks, along with construction and real estate and intermediated fund investments in Africa.

CDC total net assets increased during 2020 from £6,437.9 million to £6,805.6 million, a rise of 5.7% (2019: 11.0%). CDC's investment portfolio increased by £486.0 million in 2020 to £5,222.5 million, driven primarily by a higher pace of disbursements compared with receipts in 2020. The portfolio return measured a loss in US dollars of 0.9% (2019: 2.1% loss). Most of the CDC portfolio is denominated in US dollars and the sterling result has benefited from currency translation gains following a decrease in the sterling to US dollar exchange rate.

During the year ending 31 March 2021, the FCDO subscribed for a further 650 million shares in CDC Group Plc for £650.0 million

consideration (2019-20: 955 million shares for £955.0 million consideration). These transactions were funded through the use of promissory notes (refer to notes 10.2, 10.3 and 16.1).

The preparation of CDC's financial statements under IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates are reviewed on an ongoing basis. The area on which the most significant estimates and judgements are made is on the fair value of equity investments. In the process of applying its accounting policies, CDC has made the judgement that it meets the definition of an investment entity within IFRS 10 'Consolidated Financial Statements'.

CDC's operations are managed within the risk appetite defined by the CDC Board of Directors and set out in the CDC Risk Management Policy. The Board regularly reviews the overall risks inherent in CDC's business and the actions taken to mitigate those risks where appropriate.

CDC's Risk Committee oversees the implementation of the Risk Management Policy and the risks facing CDC. CDC's principal risks, mitigating policies and processes are summarised in the table below:

Principal risks	Summary of risk	Mitigating policies and processes
Financial risk	CDC invests in developing countries where such investments are inherently risky with the potential for loss of portfolio value. The timing of cash distributions from these investments is uncertain.	<ul style="list-style-type: none"> <li>• Portfolio diversification of debt and equity investments held directly or indirectly via a range of fund managers</li> <li>• Cash management through a cash balance of £456.3 million as at 31 December 2020, and a promissory note receivable of £955.0 million from FCDO as at 31 March 2021.</li> <li>• Hedging of debt investments and foreign currency cash balances</li> <li>• CDC's valuation guidelines have been developed in accordance with the International Private Equity and Venture Capital Valuation Guidelines (December 2015), which in turn are in accordance with the fair value requirements contained within IFRS 13. New guidelines were issued by IPEV in December 2018 and were adopted from 1 January 2019. Debt investments are valued in accordance with IFRS 9.</li> </ul>
Environment and social risk	CDC is exposed to a variety of environmental and social risks through the companies that it invests in, both directly and indirectly.	<ul style="list-style-type: none"> <li>• Established environmental and social team which contributes to due diligence on potential investments in addition to assisting investee companies in developing or improving their approach and monitoring performance.</li> <li>• All fund managers and investee businesses receiving CDC capital must sign up to and comply with CDC's Code of Responsible Investing. The Code requires companies to assess, monitor and improve environmental and social standards.</li> </ul>
Business integrity risk	Fraud, bribery, corruption and other financial crimes can damage the development goals of CDC in the countries in which it invests.	<ul style="list-style-type: none"> <li>• Developed policies and practical procedures to promote good practices.</li> <li>• When investing CDC seeks to ensure that its investments: <ul style="list-style-type: none"> <li>– are made into companies with a commitment to high standards of business conduct;</li> <li>– do not knowingly support financial crime;</li> <li>– help companies and fund managers develop and enhance corporate governance standards and practices.</li> </ul> </li> </ul>
Development impact risk	Risk that CDC will fail to achieve its development objective to create jobs and make a lasting difference to people's lives in developing countries.	<ul style="list-style-type: none"> <li>• Creation of a Development Impact Grid, an ex-ante tool that ensures it is best able to invest capital towards the objective of creating jobs, especially in the more challenging places. This methodology is embedded into investment processes and is used to assess every investment opportunity at Investment Committee.</li> </ul>
Operational risk	Risk of loss or damage to CDC caused by errors or weaknesses in its internal systems and processes or in the way they are operated or external events.	<ul style="list-style-type: none"> <li>• Implemented policies, procedures and processes in place that include appropriate control measures.</li> <li>• Hiring skilled staff to operate these processes and providing adequate training for staff.</li> <li>• CDC's internal audit function performs regular reviews to assess the adequacy and effectiveness of the control measures. The internal audit programme is approved by the CDC Audit and Compliance Committee.</li> </ul>
Strategic and external risk	Risks which arise from the context in which CDC is operating and the strategic decisions that CDC has made, including the effect of external events on CDC.	<ul style="list-style-type: none"> <li>• Maintaining the confidence of key opinion formers and political stakeholders in the role of CDC.</li> <li>• Being aware and preparing for the impact of political changes that could affect CDC.</li> <li>• Developing plans to ensure the continuity of business-critical processes</li> </ul>

### ***Significant uncertainty arising from the nature of the department's investments in IFIs and CDC***

As set out in Accounting Policy 1.6 (b), there is a significant risk around the fair value of investments, particularly IFIs and CDC due to the magnitude of these investments on the FCDO's balance sheet. Valuations are based on financial information contained in published, audited annual accounts, but most entities have a year-end non-coterminous with FCDO therefore we also use quarterly financial information to help value investments where the FCDO judges these to provide a more accurate valuation of shareholding.

During 2020 there was increased uncertainty in financial markets due to the COVID-19 pandemic, which in turn lead to greater uncertainty in valuations which is still relevant in 2021 where non-coterminous year-ends mean that full COVID-19 impacts are only being seen in the most recent published, audited annual accounts. The management of the IFIs and CDC make estimates and assumptions that affect the reported amounts of assets and liabilities as at 31 March 2021. Due to the inherent uncertainty involved in making those estimates, actual results could differ from those estimates. Areas in which the IFIs and CDC have made significant estimates when reporting their financial results as at 31 March 2021 include, but are not limited to, the provision for losses on loans and other exposures, the valuation of certain financial instruments carried at fair value, the valuation of certain loans not held at fair value and the valuation of certain funds.

The IFIs and CDC base their estimates and assumptions, and thus their reported financial results, on their current perceptions of risk, on the basis of information which is available at the time of preparing the financial information and by employing

experience and judgement. Whilst the department considers that the financial information reported by the IFIs and CDC are fairly stated, the ultimate realisable value of the reported assets and liabilities will vary as a result of subsequent information and events. Accordingly, so too will the value of the department's investments in the IFIs and CDC as recorded in these financial statements.

For more information on the impacts of COVID-19 on the valuations of IFIs and CDC as at 31 March 2020, see the DFID Annual Report and Accounts 2019-20 page 152.

### ***Other Public Sector Bodies***

Other Public Sector Bodies consist of £5.0 million investment in FCDO Services and £1k share capital in INSTEX.

The FCDO holds an investment in FCDO Services, comprised of 100% of its Public Dividend Capital (PDC). As a trading fund, FCDO Services is not included within the FCDO departmental boundary. Historical cost is considered to be a reasonable approximation for fair value of this asset as any surplus from trading is paid annually to the department in the form of a dividend.

France, Germany and the UK (the E3) created INSTEX, a special purpose vehicle to facilitate legitimate trade between European companies and Iran as part of the continued efforts to preserve the Joint Comprehensive Plan of Action (JCPOA). INSTEX was incorporated in France with an initial minimal capital investment of €1,000 from each of the E3 countries. Following registration each E3 country agreed to provide a €1 million loan to INSTEX to seed the working capital of INSTEX.

## 7 Financial instruments

### 7.1 Fair values of financial instruments

The carrying values of financial assets and financial liabilities do not differ from fair values in these accounts at either 31 March 2021 or 31 March 2020. The fair values of

all financial assets and liabilities by class together with their carrying amounts shown in the Consolidated Statement of Financial Position are as follows:

	Note	2020-21		Total £000
		Amortised Cost £000	Fair Value through Profit and Loss (FVTPL) £000	
<b>Financial Assets</b>				
<b>Non-Current Financial Assets</b>				
Financial investments	6	18,435	119,798	10,613,710
Forward Currency Contracts		–	–	–
Trade and other receivables	9	980,286	–	980,286
		998,721	119,798	11,593,996
<b>Current Financial Assets</b>				
Forward Currency Contracts		–	392	392
Trade and other receivables	9	241,629	–	241,629
Cash and cash equivalent	8	222,327	–	222,327
		463,956	392	464,348
<b>Total financial assets</b>		<b>1,462,677</b>	<b>120,190</b>	<b>12,058,344</b>
<b>Financial Liabilities</b>				
<b>Non-current Financial Liabilities</b>				
Forward Currency Contracts		–	(7,085)	(7,085)
Financial Guarantee		–	(105,000)	(105,000)
Trade and other payables		(39,379)	–	(39,379)
		(39,379)	(112,085)	(151,464)
<b>Current Financial Liabilities</b>				
Forward Currency Contracts		–	(11,351)	(11,351)
Bank overdraft	8	(4,302)	–	(4,302)
Trade and other payables	10	(6,939,659)	–	(6,939,659)
		(6,943,961)	(11,351)	(6,955,312)
<b>Total financial liabilities</b>		<b>(6,983,340)</b>	<b>(123,436)</b>	<b>(7,106,776)</b>
<b>Net financial instruments</b>		<b>(5,520,663)</b>	<b>(3,246)</b>	<b>4,951,568</b>

	2019-20 (Restated)			
	Amortised Cost	Fair Value through Profit and Loss (FVTPL)	Fair Value through Other Comprehensive Income (FVOCI)	Total
<b>Financial Assets</b>				
<b>Non-Current Financial Assets</b>				
Financial investments	18,059	95,718	11,236,515	11,350,292
Forward Currency Contracts	–	16,495	–	16,495
Trade and other receivables	993,807	–	–	993,807
	1,011,866	112,213	11,236,515	12,360,594
<b>Current Financial Assets</b>				
Forward Currency Contracts	–	22,059	–	22,059
Trade and other receivables	132,630	–	–	132,630
Cash and cash equivalent	96,212	–	–	96,212
	228,842	22,059	–	250,901
<b>Total financial assets</b>	<b>1,240,708</b>	<b>134,272</b>	<b>11,236,515</b>	<b>12,611,495</b>
<b>Financial Liabilities</b>				
<b>Non-current Financial Liabilities</b>				
Forward Currency Contracts	–	(756)	–	(756)
Financial Guarantee	–	–	–	–
Trade and other payables	(49,870)	–	–	(49,870)
	(49,870)	(756)	–	(50,626)
<b>Current Financial Liabilities</b>				
Forward Currency Contracts	–	(949)	–	(949)
Bank overdraft	(5,971)	–	–	(5,971)
Trade and other payables	(6,506,674)	–	–	(6,506,674)
	(6,512,645)	(949)	–	(6,513,594)
<b>Total financial liabilities</b>	<b>(6,562,515)</b>	<b>(1,705)</b>	<b>–</b>	<b>(6,564,220)</b>
<b>Net financial instruments</b>	<b>(5,321,807)</b>	<b>132,567</b>	<b>11,236,515</b>	<b>6,047,275</b>

### Valuation of financial instruments

The department measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Quoted market price (unadjusted) in an active market for an identical instrument.

Level 2: Valuation techniques based on observable inputs, either directly (ie as prices) or indirectly (ie derived from prices). This category includes instruments valued

using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

Level 3: Valuation techniques using inputs that are not based on observable market data (unobservable inputs). This category includes all instruments where the valuation

technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments. There is no quantitative information available about significant unobservable inputs used in the fair value measurement for FCDO's assets in Level 3.

See note 1.19, 1.21 and 6 for more information on valuation techniques and inputs.

	Note	2020-21 £000	2019-20 £000
Financial assets			
Level 1			
Cash and cash equivalents	8	222,327	96,212
Level 2			
Trade and other receivables	9	1,221,915	1,126,437
Forward Currency Contracts		392	38,554
Level 3			
Financial investments	6	10,613,710	11,350,292
		12,058,344	12,611,495
Financial liabilities			
Level 1			
Bank overdraft	8	(4,302)	(5,971)
Level 2			
Trade and other payables	10	(6,979,038)	(6,556,544)
Foreign Currency Contracts		(18,436)	(1,705)
Financial Guarantee		(105,000)	–
		(7,106,776)	(6,564,220)

There have been no transfers between Level 1 and Level 2 of the fair value hierarchy in 2020-21 or 2019-20.

A reconciliation from the opening balances to the closing balances of recurring fair value measurements within Level 3 of the fair value hierarchy is given in the table below:

	Level 3 Financial investments £000
<b>Balance at 31 March 2019</b>	10,817,237
Additions	1,072,984
Disposals	(2,202)
Losses taken to other comprehensive income	(533,118)
Losses taken to profit and loss	(5,712)
Other movements	1,103
<b>Balance at 31 March 2020</b>	<b>11,350,292</b>
Additions	799,024
Disposals	(771)
Transfers	(1,309,946)
Losses taken to other comprehensive income	(220,872)
Losses taken to profit and loss	(4,394)
Impairment	–
Repayments	–
Other movements	377
<b>Balance at 31 March 2021</b>	<b>10,613,710</b>

## 7.2 Market risk

### *Financial risk management*

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the department's net expenditure or the value of its holdings of financial instruments.

### *Exposure to market risk*

#### **(i) Foreign currency risk**

The FCDO is exposed to foreign currency risks which can be significant because of the nature of its business and geographical presence. The FCDO recognises foreign transactions using the spot conversion rate and manages exchange risks through the

Foreign Currency Mechanism (FCM) agreed with HM Treasury. Accounting policy 1.14 gives more information about the two foreign currency exchange policies. In the next Financial Year 2021-22, the FCDO aims to consolidate these into one single policy but this is not possible as at 31 March 2021 due to legacy systems. The FCM increases or decreases the FCDO's budget each year in the Supplementary Estimates to take account of movements in the top 100 currencies where the department spent the most money. The FCM uses exchange rate movements covering the period February to January, and applies it to the FCDO's baseline spend to calculate the adjustment to the FCDO's budget.

However, significant currency movement between February and March each year

would only be reflected in a budget adjustment to the following Financial Year. Consequently, there remains a foreign exchange risk related to movements in February and March in the current year.

The FCM only applies to non ODA core expenditure and it does not include Peacekeeping or ODA expenditure. The following two tables and their prior year comparatives only relate to the FCM and FCM related expenditure

The FCDO continues to use forward purchase currency contracts for Peacekeeping expenditure to minimise budget uncertainty. The Ministry of Defence (MoD) arranges the purchase of foreign currency on behalf of the FCDO. Forward purchases contracts matured as follows:

	2020-21			2019-20		
	Foreign Currency 000	Sterling Cost £000	Average Exchange Rate	Foreign Currency 000	Sterling Cost £000	Average Exchange Rate
Euro	38,600	35,201	1.10	39,300	35,118	1.12
US Dollar	360,100	269,287	1.34	364,300	272,089	1.34
		<b>304,488</b>			<b>307,207</b>	

Forecast unrealised gains and losses on forward purchases maturing in future periods, based on the actual rates of exchange at the reporting period date, are analysed as follows:

	Foreign Currency	2020-21			
		Currency Value 000	Sterling Value £000	Unrealised Gains £000	Unrealised Losses £000
<b>Current Assets and Liabilities</b>					
Maturing in 2021-22	Euro	22,954	20,929	-	(1,315)
	US Dollar	331,822	250,733	392	(10,036)
			<b>271,662</b>	<b>392</b>	<b>(11,351)</b>
<b>Non-current Assets and Liabilities</b>					
Maturing in 2022-23	Euro	8,833	8,086	-	(475)
	US Dollar	123,073	95,940	-	(6,610)
			<b>104,026</b>	<b>-</b>	<b>(7,085)</b>
Maturing in 2023-24	Euro	-	-	-	-
	US Dollar	-	-	-	-
<b>Total</b>			<b>375,688</b>	<b>392</b>	<b>(18,436)</b>

	Foreign Currency	Currency Value 000	2019-20		
			Sterling Value £000	Unrealised Gains £000	Unrealised Losses £000
<b>Current Assets and Liabilities</b>					
Maturing in 2020-21	Euro	38,600	35,201	119	(949)
	US Dollar	360,100	269,287	21,940	–
			<b>304,488</b>	<b>22,059</b>	<b>(949)</b>
<b>Non-current Assets and Liabilities</b>					
Maturing in 2021-22	Euro	22,954	20,929	130	(454)
	US Dollar	262,025	199,668	12,546	(128)
			<b>220,597</b>	<b>12,676</b>	<b>(582)</b>
Maturing in 2022-23	Euro	8,833	8,086	104	(174)
	US Dollar	123,073	95,940	3,715	–
			<b>104,026</b>	<b>3,819</b>	<b>(174)</b>
<b>Total</b>			<b>629,111</b>	<b>38,554</b>	<b>(1,705)</b>

The remaining portion of FCDO's exposure to foreign currency risk which is not covered by the FCM, mostly being ODA related expenditure, is shown in the following tables. This is based on the carrying amount for monetary financial instruments.

	2020-21				
	Sterling £000	Euro £000	US dollar £000	Other £000	Total £000
Financial investments	6,873,967	–	3,449,092	290,651	10,613,710
Trade and other receivables	1,087,831	25,436	36,438	–	1,149,705
Cash and cash equivalents	(3,923)	–	259	162	(3,502)
Trade and other payables	(6,357,937)	–	(2,088)	–	(6,360,025)
<b>Net exposure</b>	<b>1,599,938</b>	<b>25,436</b>	<b>3,483,701</b>	<b>290,813</b>	<b>5,399,888</b>

	2019-20				
	Sterling £000	Euro £000	US dollar £000	Other £000	Total £000
Financial investments	6,167,425	1,244,065	3,688,367	250,434	11,350,291
Trade and other receivables	976,948	29,589	39,088	–	1,045,625
Cash and cash equivalents	(5,582)	–	469	707	(4,406)
Trade and other payables	(6,007,919)	–	(3,689)	–	(6,011,608)
<b>Net exposure</b>	<b>1,130,872</b>	<b>1,273,654</b>	<b>3,724,235</b>	<b>251,141</b>	<b>6,379,902</b>

## Sensitivity analysis

A 10% strengthening of the following currencies against the pound sterling at 31 March 2021 and at 31 March 2020 would have increased taxpayers' equity and lowered net comprehensive expenditure by the amounts shown below. This calculation assumes that the change occurred at the

Consolidated Statement of Financial Position date and had been applied to risk exposures existing at that date.

This analysis assumes that all other variables, in particular other exchange rates and interest rates, remain constant.

	2020-21 Equity £000	2020-21 (Profit) or loss £000	2019-20 Equity £000	2019-20 (Profit) or loss £000
Euro	3,288	(3,288)	141,517	(3,288)
Dollar	382,720	(4,140)	413,804	(3,985)
	<b>386,008</b>	<b>(7,428)</b>	<b>555,321</b>	<b>(7,273)</b>

A 10% weakening of the above currencies against the pound sterling at 31 March 2021 and at 31 March 2020 would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

### (ii) Interest rate risk

The department's interest rate exposure is limited to loans made at fixed and floating rates and cash balances held overseas. At the Consolidated Statement of Financial Position date the interest rate profile of the FCDO's interest-bearing financial instruments was:

	2020-21 £000	2019-20 £000
<b>Fixed rate instruments</b>		
Cash and cash equivalents	–	–
Trade and other receivables	987,279	996,938
	<b>987,279</b>	<b>996,938</b>
<b>Variable rate instruments</b>		
Cash and cash equivalents	676	1,460
Trade and other receivables	52,351	968
	<b>53,027</b>	<b>2,428</b>

For the Financial Year ending 31 March 2021 the department earned interest from financial instruments of £1.5 million (2019-20 £2.1 million). The interest earned from these financial instruments does not represent a material source of income for the FCDO.

### (iii) Equity price risk

The department's exposure to equity price risk arises from its investment in equity securities which are classified as financial assets, held at fair value through other comprehensive income and fair value through profit or loss, and are shown on the

Statement of Financial Position as financial investments (see note 6).

In 2019-20, the equity price risk has increased due to increased estimation uncertainty as a result of COVID-19 and this uncertainty continues to an extent into 2020-21. Note 6 considers this in more detail.

### **Sensitivity analysis**

FCDO's investments in IFIs are based on FCDO's share of the net assets of each IFI, which are recorded at fair value. Although there is no public traded market for these investments, changes in the underlying net asset values of the IFIs would impact on the investment value shown in these accounts. As at 31 March 2021, a 10% reduction in net asset values of the IFIs, with all other variables held constant, would result in FCDO's net assets being reduced by £354.1 million (at 31 March 2020: £501.4 million).

The FCDO's investment in CDC is based on the net assets as included in their most recent audited financial statements drawn up to 31 December 2020 and reflecting any capital contributions by the FCDO in the period between that date and 31 March 2021. The resultant value is adjusted to reflect any other material movements in fair value over that 3-month period based on management information provided. As at 31 March 2021, a 10% reduction in the fair value of this organisation, with all other variables held constant, would result in the department's net assets being reduced by £680.6 million (at 31 March 2020: £610.7 million).

## **7.3 Credit risk**

### ***Financial risk management***

Credit risk is the risk of financial loss to the department if a customer or counterparty to a financial instrument fails to meet its

contractual obligations, and arises principally from FCDO's receivables from sovereign debt and investment instruments.

### ***Exposure to credit risk***

The fair value of financial assets held at amortised cost, trade receivables and cash and cash equivalents in note 7.1 represents the maximum credit exposure to the FCDO. Bilateral and multilateral loans within trade and other receivables at the Consolidated Statement of Financial Position date, which are past due, have allowances for expected credit losses (2020-21: £50.7 million, 2019-20: £51.9 million).

Bilateral loans, and loans formerly managed by CDC, are made directly to sovereign states; multilateral loans are made to sovereign states through multilateral bodies such as the European Investment Bank. Credit impairment is assessed based on default history, programme team knowledge, political risks and the potential future granting of debt relief.

Credit risk on the department's cash balances held within the Government Banking Service is considered to be very low. Imprest balances are held with various institutions, all of which are major global banks with good credit ratings.

Financial assets are held with, or investments are made through International Financial Institutions, public sector bodies and managed investment entities.

Liquid assets are divided between a number of different financial institutions, each of whose credit rating is assessed.

Under IFRS 9, an entity must determine whether the financial asset is in one of three stages in order to determine both the amount of expected credit loss (ECL) to recognise as well as how interest income should be recognised.

- Stage 1 is where credit risk has not increased significantly since initial recognition. For financial assets in stage 1, entities are required to recognise 12-month ECL and recognise interest income on a gross basis – this means that interest will be calculated on the gross carrying amount of the financial asset before adjusting for ECL.
- Stage 2 is where credit risk has increased significantly since initial recognition. When a financial asset transfers to stage 2 entities are required to recognise lifetime ECL but interest income will continue to be recognised on a gross basis.
- Stage 3 is where the financial asset is credit impaired.

For financial assets in stage 3, entities will continue to recognise lifetime ECL, but they will now recognise interest income on a net basis. This means that interest income will be calculated based on the gross carrying amount of the financial asset less ECL.

The FReM requires lifetime losses to be recognised for trade receivables. For trade receivables with no significant financing components, IFRS 9 allows the use of a simplified method for calculating expected losses using historical default rates over the expected life of the trade receivables and adjusting for forward-looking estimates. As at 31 March 2021 the FCDO had an outstanding debt on emergency loans to British nationals of £1.6 million with an ECL allowance of £0.5 million.

The most significant assumption included within the ECL model for both 12-month and lifetime losses is that future performance will be reflective of past performance. To address this risk, the FCDO reviews and updates default rates on a regular basis to ensure they incorporate the most up to date assumptions along with forward-looking information. Forward looking information is gathered

through discussions with programme teams including economists who have a deep knowledge and understanding of the conditions surrounding each instrument.

The FCDO defines default as a history of non-payment with no reasonable expectation of repayment in the future. Where there is no history of default, the FCDO uses standard industry default rates (CRISIL rates) and Moody's credit agency ratings to predict expected losses on future cashflows. Details of how FCDO determines whether assets are credit impaired can be found in Note 1.6 (a) and 1.21. Financial assets are deemed fully credit impaired when there is no reasonable expectation of recovery. Write offs are restricted due to agreements with the Paris Club, more information can be found in Note 1.

Stage 1 loans consist of all development capital loans, most multilateral loans and more than half of bilateral loans. One bilateral loan has no repayments until 2041 and therefore has no 12-month ECL allowance. Default risk of the remaining loans is considered by the programme teams to be equivalent to investment grade bonds therefore a low ECL allowance of £0.1 million has been assessed. If the credit ratings were to be downgraded by one notch they would still be investment grade and therefore there would not be a significant impact on the credit risk and would not move to Stage 2. Stage 2 loans consist of the remaining multilateral and bilateral loans. These loans carry higher credit risk which is reflected in the higher ECL allowance of £50.7 million. Stage 2 ECL allowances have decreased in the year mostly due to increased recoveries which are predicted to continue going forward.

Reconciliation of Expected Credit Losses	Stage 1: Loss allowance based on 12 month ECLs £000	Stage 2: Loss allowance based on lifetime ECLs – not credit impaired £000	Stage 3: Loss allowance based on lifetime ECLs – credit impaired £000	Loss allowance based on lifetime ECLs for trade receivables £000	Total £000
<b>Balance at 1 April 2019</b> <sup>103</sup>	<b>32</b>	<b>56,342</b>	<b>–</b>	<b>661</b>	<b>57,035</b>
Impact of change to cashflows	46	(3,014)	–	269	<b>(2,699)</b>
Impact of change of credit rating assessment	0	(1,547)	–	–	<b>(1,547)</b>
<b>Balance at 31 March 2020</b>	<b>78</b>	<b>51,781</b>	<b>–</b>	<b>930</b>	<b>52,789</b>
Impact of change to cashflows	(50)	1,460	–	512	<b>1,922</b>
Impact of change of credit rating assessment	–	(2,515)	–	–	<b>(2,515)</b>
<b>Balance at 31 March 2021</b>	<b>28</b>	<b>50,726</b>	<b>–</b>	<b>1,442</b>	<b>52,196</b>

### Credit quality of loans held at amortised cost

	2020-21			2019-20		
	Stage 1 £000	Stage 2 £000	Stage 3 £000	Stage 1 £000	Stage 2 £000	Stage 3 £000
<b>Loan balance excluding allowances:</b>						
Neither past due nor credit-impaired	1,039,643	–	–	998,241	–	–
Past due but not credit-impaired	–	75,800	–	–	83,476	–
Credit-impaired	–	–	–	–	–	–
<b>Less: impairment allowances</b>	<b>(28)</b>	<b>(50,726)</b>	<b>–</b>	<b>(78)</b>	<b>(51,781)</b>	<b>–</b>
<b>Loan balance net of allowances</b>	<b>1,039,615</b>	<b>25,074</b>	<b>–</b>	<b>998,163</b>	<b>31,695</b>	<b>–</b>

## 7.4 Liquidity risk

### Financial risk management

Liquidity risk is the risk that the department will not be able to meet its financial obligations as they fall due.

### Exposure to liquidity risk

The contractual maturities of financial liabilities, including estimated interest payments, are £5,976.3 million (2019-20: £5,582.4 million) due on demand and £388.1 million (2019-20: £435.2 million) due

within 1 year, but not on demand. In common with other government departments, the future financing of the FCDO's liabilities is to be met by future grants of supply and application of future income, both to be approved annually by Parliament. Such approval for 2021-22 amounts has already been provided and there is no reason to believe the allocation for 2022-23 and beyond will not be forthcoming.

<sup>103</sup> This is a presentational restatement as a result of the adoption of IFRS 9 in 2018-19 but there have been no changes to the underlying results. This restatement affects these two tables only.

## 8 Cash and Equivalents

	2020-21		2019-20 (Restated)	
	Department & Agencies £000	Departmental Group £000	Department & Agencies £000	Departmental Group £000
Balance at 1 April	85,888	90,241	193,638	198,212
Net change in cash balances	125,252	127,784	(107,750)	(107,971)
<b>Balance at 31 March 2021</b>	<b>211,140</b>	<b>218,025</b>	<b>85,888</b>	<b>90,241</b>
Of which:				
Cash and cash equivalents	215,442	222,327	91,859	96,212
Bank overdraft	(4,302)	(4,302)	(5,971)	(5,971)
<b>Balance at 31 March 2021</b>	<b>211,140</b>	<b>218,025</b>	<b>85,888</b>	<b>90,241</b>
The following balances and overdrafts were held at 31 March:				
Government Banking Service	39,535	39,535	34,894	34,894
Government Banking Service – NDPB	–	2,184	–	1,122
Commercial banks and cash in hand UK and overseas	171,605	176,306	50,994	54,225
<b>Balance at 31 March 2021</b>	<b>211,140</b>	<b>218,025</b>	<b>85,888</b>	<b>90,241</b>

Cash balances at the Government Banking Service were held in sterling. No interest is earned on cash balances held at the Government Banking Service. Local commercial bank accounts and imprest balances are held in a variety of local currencies.

## 9 Trade and Other Receivables

	2020-21		2019-20 (Restated)	
	Department & Agencies £000	Departmental Group £000	Department & Agencies £000	Departmental Group £000
<b>Amounts Falling Due Within 1 Year</b>				
Development capital loans	5,660	5,660	16,425	16,425
Bilateral and multilateral loans	29,591	29,591	30,177	30,177
Trade receivables	61,784	62,472	29,646	30,273
Other receivables	62,384	62,384	4,117	4,117
Leasehold land (non-perpetual) prepayments	674	674	671	671
Contract Assets	43,416	43,879	36,139	36,139
Deposits and Advances	8,862	9,054	15,190	15,499
Prepayments	178,052	178,412	291,415	293,241
Accrued Income	28,588	28,589		
	<b>419,011</b>	<b>420,715</b>	<b>423,780</b>	<b>426,542</b>
<b>Amounts Falling Due After 1 Year</b>				
Leasehold land (non-perpetual) prepayments	24,076	24,076	24,756	24,756
Other receivables	–	–	10,661	10,547
Development capital loans	7,963	7,963	13,103	13,103
Bilateral and multilateral loans	972,323	972,323	970,157	970,157
	<b>1,004,362</b>	<b>1,004,362</b>	<b>1,018,677</b>	<b>1,018,563</b>
<b>Total</b>	<b>1,423,373</b>	<b>1,425,077</b>	<b>1,442,457</b>	<b>1,445,105</b>

## 10 Trade payables and other liabilities

	2020-21		2019-20 (Restated)	
	Department & Agencies £000	Departmental Group £000	Department & Agencies £000	Departmental Group £000
<b>Amounts Falling Due Within 1 Year</b>				
Other taxation and social security	5,637	5,717	18,891	18,921
Trade payables	27,752	28,600	48,615	49,783
Other payables	98,271	98,341	162,940	162,997
Accruals	608,165	611,136	601,567	604,102
Deferred Income	1,630	1,630	1,630	1,630
Promissory notes: due on demand	5,971,970	5,971,970	5,576,391	5,576,391
Payments on account	309	309	263	263
Contract Liabilities	7,443	8,817	4,775	4,775
Current part of imputed finance lease element of on-SoFP PFI contracts	1,999	1,999	1,923	1,923
<b>Total excluding amounts due to the Consolidated Fund</b>	<b>6,723,176</b>	<b>6,728,519</b>	<b>6,416,995</b>	<b>6,420,785</b>
Amounts issued from the Consolidated Fund for supply but not spent	210,920	210,920	82,896	82,896
Income due to be paid to the Consolidated Fund	220	220	2,993	2,993
	<b>6,934,316</b>	<b>6,939,659</b>	<b>6,502,884</b>	<b>6,506,674</b>
<b>Amounts Falling Due After 1 Year</b>				
Payables, accruals and deferred income	17,332	17,332	24,894	24,894
Imputed finance lease element of on-SoFP PFI contracts	22,047	22,047	24,976	24,976
	<b>39,379</b>	<b>39,379</b>	<b>49,870</b>	<b>49,870</b>
<b>Total</b>	<b>6,973,695</b>	<b>6,979,038</b>	<b>6,552,754</b>	<b>6,556,544</b>

## 10.2 Promissory notes payable: movement during the year

	2020-21	
	£000	£000
<b>Balance at 31 March 2019</b>	–	(6,034,112)
New notes deposited	(2,350,069)	–
Cash drawn down against notes previously issued	2,808,499	–
Foreign exchange losses	(709)	–
<b>Balance at 31 March 2020</b>	–	(5,576,391)
New notes deposited	(2,165,283)	–
Cash drawn down against notes previously issued	1,769,323	–
Foreign exchange losses	381	–
<b>Balance at 31 March 2021</b>	–	<b>(5,971,970)</b>

Promissory notes payable have been classified as financial liabilities at amortised cost. They have been shown as due within 1 year, as they are legally payable on demand, so the maturity profile in the Consolidated Statement of Financial Position, and in note 7, shows the earliest

date at which they could be payable. Included within promissory notes payable is an amount of £2,316.4 million which is expected to be encashed within 1 year and £3,655.6 million which is expected to be encashed after 1 year based on non-legally binding encashment schedules.

## 10.3 Promissory notes payable: analysis by institution

	2020-21 At 31 March 2021 £000	2019-20 At 31 March 2021 £000
International Development Association	3,081,338	2,855,030
CDC	955,000	955,000
African Development Fund	437,383	455,874
Green Climate Fund	630,000	380,000
Climate Investment Funds (CIFs)	149,746	149,746
Caribbean Development Bank	177,206	191,325
World Health Organization	258,000	225,000
Private Infrastructure Development Group	89,402	77,763
Global Environment Fund	82,035	93,199
Asian Development Fund	51,748	86,435
International Bank for Reconstruction and Development	–	5,658
KfW Group	16,231	18,271
International Fund for Agricultural Development	23,395	46,790
German Development Corporation	–	8,014
European Bank for Reconstruction and Development	10,301	14,000
International Finance Corporation	5,000	7,500
IFC Catalyst Fund	2,088	3,688
Multilateral Investment Guarantee Agency	3,097	3,098
<b>Total</b>	<b>5,971,970</b>	<b>5,576,391</b>

## 11 Provisions

	2020-21					
	IFFIm £000	IFFIm – COVAX £000	AMC £000	Terminal Gratuities £000	Other £000	Total £000
<b>Balance at 1 April 2020</b>	772,471	–	24,511	56,148	9,165	862,295
Provided in year (bal)	–	497,500	–	6,366	9,362	513,228
Provisions not required written back	(7,850)	–	–	(1,278)	(2,481)	(11,609)
Provisions utilised in the year	(128,959)	–	(25,035)	(4,476)	(1,097)	(159,567)
Foreign exchange movement	–	–	506	–	–	506
Unwinding of discount/(initial discount on recognition of provision)	11,698	(2,515)	18	–	1	9,202
Terminal gratuities exchange unrealised (gain)/loss	–	–	–	(3,690)	–	(3,690)
<b>Balance at 31 March 2021</b>	<b>647,360</b>	<b>494,985</b>	<b>–</b>	<b>53,070</b>	<b>14,950</b>	<b>1,210,365</b>

	2019-20					
	IFFIm £000	IFFIm – COVAX £000	AMC £000	Terminal Gratuities £000	Other £000	Total £000
<b>Balance at 1 April 2019</b>	874,846	–	48,410	49,385	13,183	985,824
Provided in year (bal)	–	–	–	10,175	1,223	11,398
Release of provision	–	–	–	–	–	–
Provisions not required written back	(1,812)	–	–	(175)	(341)	(2,328)
Provisions utilised in the year	(119,018)	–	(25,333)	(4,384)	(4,906)	(153,641)
Foreign exchange movement	–	–	1,224	–	–	1,224
Unwinding of discount	18,455	–	210	–	6	18,671
Terminal gratuities exchange unrealised (gain)/loss	–	–	–	1,147	–	1,147
<b>Balance at 31 March 2020</b>	<b>772,471</b>	<b>–</b>	<b>24,511</b>	<b>56,148</b>	<b>9,165</b>	<b>862,295</b>

## 11.2 Analysis of Expected Timing of Discounted Cash Flows

	2020-21					
	IFFIm £000	IFFIm – COVAX £000	AMC £000	Terminal Gratuities £000	Other £000	Total £000
<b>Not later than 1 year</b>	138,976	–	–	16,833	10,711	166,520
Later than 1 year but not later than 5 years	411,990	285,389	–	10,770	2,750	710,899
Later than 5 years	96,394	209,596	–	25,467	1,489	332,946
<b>Balance at 31 March 2021</b>	<b>647,360</b>	<b>494,985</b>	<b>–</b>	<b>53,070</b>	<b>14,950</b>	<b>1,210,365</b>

	2019-20					
	IFFIm £000	IFFIm – COVAX £000	AMC £000	Terminal Gratuities £000	Other £000	Total £000
<b>Not later than 1 year</b>	130,069	–	24,511	16,571	6,375	177,526
Later than 1 year but not later than 5 years	469,103	–	–	12,196	2,757	484,056
Later than 5 years	173,299	–	–	27,381	33	200,713
<b>Balance at 31 March 2020</b>	<b>772,471</b>	<b>–</b>	<b>24,511</b>	<b>56,148</b>	<b>9,165</b>	<b>862,295</b>

### *The International Finance Facility for Immunisation (IFFIm)*

IFFIm is an international development financing institution that provides funding to Gavi (the vaccine alliance) and is supported by sovereign donors ([www.iffim.org](http://www.iffim.org)). IFFIm borrows funds in the international capital markets to support Gavi with funding today backed by these longer-term pledges. The UK pledged £1,630.0 million through two legally binding agreements which set out bi-annual payment obligations from April 2007 to October 2029 (the signing of the agreements was the recognition point of the provision). The value of each payment is uncertain until the final notice for that payment is provided to FCDO. The value of FCDO's payments can change based on a formula set out in the IFFIm grant agreements which make an adjustment to FCDO's payments when specified countries named in the agreements are in protracted arrears on International Monetary Fund obligations. The percentage reduction has never been higher than 4% in the history of

the agreements and in recent years has been as low as 0.5%. The provision is calculated as the total of FCDO's expected remaining payments after adjusting for reductions for countries in protracted arrears at the period end (0.5% as at 31 March 2021), discounted at the nominal discount rates set by HM Treasury (-0.02% between 0 and 5 years, 0.18% between 5 and 10 years and 1.99% exceeding 10 years, as at 31 March 2021). As at 31 March 2021, the UK is liable for £647.4million in net present value terms (after deducting payments already made).

During 2020-21, the UK pledged a further £500.0 million to IFFIm in specific support of the Gavi COVID-19 Vaccines Advanced Market Commitment (COVAX AMC), in addition to the US\$60.6 million noted below. Annual payment obligations from October 2022 to October 2029 are set out in a new legally binding agreement (the signing of the agreement was the recognition point of the provision). As with the main IFFIm provision,

the value of each payment is uncertain until the final notice for that payment is provided to the FCDO. The value of payments can also change when specified countries are in protracted arrears. The provision is calculated as the total of the FCDO's expected remaining payments after adjusting for reductions for countries in protracted arrears at the period end (0.5% as at 31 March 2021), discounted at the nominal discount rates set by HM Treasury as noted above. As at 31 March 2021, the UK is liable for £495.0 million in net present value terms.

### ***Advanced Market Commitment (AMC)***

Provision for AMC represents the net present value of the UK's commitment to the pilot AMC for pneumococcal vaccine. It is an innovative mechanism to incentivise private manufacturers to invest in research and development and/or building manufacturing capacity to supply vaccines to low-income countries. The aim is to accelerate the availability of effective vaccines at cost-effective and sustainable prices. During 2020-21, the final payment of the UK's total pledge of US\$485.0 million was made, and US\$60.6 million of this total (remaining AMC funding) was redirected within the Gavi programme to the COVAX AMC (refer to above).

### ***Terminal Gratuities***

The FCDO, depending upon local employment law and custom at Post may set up a Terminal Gratuity Provision for locally engaged staff. This is not a formal pension fund, but does create a liability for payments to employees. These get paid out upon their retirement or when they leave service (depending on the specific terms and conditions of the scheme in that country). As the employee works through each year they gradually increase the value of their own specific Terminal Gratuity Provision, which will be paid to them if they meet the conditions of the scheme. These are reported as Provisions and not under IAS 19. Following a review of terminal gratuities carried out in 2020-21 (and based on the assumptions used), the FCDO views the difference between the amount reported under IAS 37 and the number that would be reported under IAS 19 as not material.

### ***Other Provisions***

Other provisions include staff-related liabilities such as claims against the department, and the cost of early retirement payments. It also includes claims made against the department by third parties, expected credit losses for guarantees, termination costs for the early exit of programme contracts and liabilities for possible back-rental demands and other estate commitments.

## 12 Contingent Assets and Contingent Liabilities

### 12.1 Contingent Liabilities

	2020-21 £000	2019-20 £000
Potential Obligations	3,030,493	556,629

Contingent liabilities of £2,904.3 million (2019-20: £421.6 million) exist in respect of contributions due to International Financial Institutions (IFI). Uncertainty exists as this is subject to certain future performance conditions, which have been subject to formal approval by Parliament but are not yet supported either by promissory notes or cash payments. The movement in the year is due to a new capital increase for African Development Bank, the related African Development Fund replenishment and a new IDA replenishment. The FCDO expects a high proportion of this amount to crystallise as a liability in the coming years.

Contingent liabilities of £40.0 million (2019-20: £40.0 million) exist in respect of callable capital to GuarantCo Ltd (GuarantCo), an entity that provides high grade local currency denominated guarantees supporting infrastructure projects in low-income countries. GuarantCo is funded by a mix of debt and equity, and the ratio of debt to equity must stay within certain limits to preserve GuarantCo's credit rating. The callable capital can be drawn down if the GuarantCo leverage ratio exceeds three times its equity. Based on current projections which are monitored regularly, this is unlikely to be called in the next 12 months. The FCDO also holds a financial investment in GuarantCo in the form of a debt instrument and is part of the PIDG Group of investments.

A contingent liability of £32.3 million (2019-20: £29.6 million) exists, related to the UK membership of CABI, an intergovernmental organisation established

by a UN treaty level agreement. In the event of CABI's dissolution, the assets are shared among/liabilities met by the member governments. The potential liability is calculated in proportion to the member government's level of contribution and obligation at 31 March 2021 is deemed to be unlikely due to preventative measures that have been carried out as a result of intervention by the UK's Pensions Regulator.

All other contingent liabilities are not individually material and are not disclosed separately for commercial reasons. These include varied areas of litigation, such as employment dispute, consular and sanction cases. Other risks include estates related legal action covering the FCDO's liability for properties overseas. At 31 March 2021 FCDO reviewed its litigations for obligation to be uncertain.

In addition to contingent liabilities disclosed in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets, the FCDO disclosures, for parliamentary reporting and accountability purposes, certain statutory and non-statutory contingent liabilities where the likelihood of a transfer of economic benefit is remote, but which have been reported to parliament in accordance with the requirement of HMT's Managing Public Money. These can be found in the Parliamentary Accountability and Audit Report of the Annual Report and Accounts.

### 12.2 Contingent assets

The department has the following contingent asset.

On 30 April 2012, FCDO signed a binding sale agreement with the management of Actis LLP ('Actis') in relation to disposing of its 40% shareholding in Actis, a fund management entity. This sale agreement confirmed FCDO's intention to dispose of this shareholding to the management of Actis, in exchange for cash payments totalling US\$13.0 million

(£9 million) and a 10% interest in Actis management's carried interest in Actis Fund 3 and a 7.5% interest in Actis management's carried interest in Actis Fund 4. Carried interest refers to profits generated by the funds over the period only from the sale agreement date until the expiry of the funds. This is based on the performance of the fund as a whole but will only become payable once a predetermined hurdle rate (the minimum rate of return) has been achieved. As this target is based on investment market performance in the future, it is not practicable to assess the value of the carried interest element of the sale proceeds reliably.

The FCDO will recognise carried interest as additional sales revenue only when it has been calculated as payable and confirmed by an external audit of Actis and the associated funds. During the year ended 31 March 2021, the FCDO received carried interest payments of US\$1.3 million (2019-20: US\$0.1 million), this is equivalent to £0.9 million (2019-20: £0.07 million).

### **12.3 Guarantees, indemnities and letters of comfort**

A guarantee arrangement committed in US dollar for US\$263.6 million (2019-20: US\$239.9 million), equivalent to £191.5 million (2019: £174.3 million), in respect of the UK guarantee of part of the US\$1,000 million loan provided to the Government of Egypt by the International Bank for Reconstruction and Development (IBRD). The guarantee is of both principal and interest.

A guarantee arrangement committed in US dollar for US\$406.8 million (2019-20: US\$455.2 million), equivalent to GBP £295.5 million (2019: £330.6 million), in respect of the UK guarantee of part of the US\$1,444 million (£1,049 million) loan provided to the Republic of Iraq by the International Bank for Reconstruction and Development (IBRD). The guarantee is of both principal and interest.

A guarantee arrangement committed in US dollar for US\$226.2 million (2019-20: US\$378.4 million), equivalent to GBP £164.3 million (2019: £274.9 million), in respect of the UK guarantee of the US\$250 million (£181.6 million) loan provided to the Hashemite Kingdom of Jordan by the International Bank for Reconstruction and Development (IBRD). The guarantee is of both principal and interest.

All equivalent USD currency conversion to GBP are translated using the year-end rate at 31 March 2021.

A guarantee arrangement of up to £500m (2019-20: nil) in respect of the UK loan guarantee to the Government of Gibraltar enabling Gibraltar to borrow at more favourable rates as it manages the financial impact of COVID-19. At 31 March 2021, a total of £100m has been drawn down and the FCDO has valued the guarantee at fair value, see note 7 for more detail.

As described in the Parliamentary Accountability report, the FCDO has issued Letters of Comfort to several of its Arm's Length Bodies, giving assurance that the FCDO will provide them with sufficient financial resources in order to ensure they can meet their financial obligations, and that they can continue as going concerns, for at least 12 months from the date that their accounts are certified by the Comptroller & Auditor General. The financial value of letter of comfort can only be valued when it is requested to meet its obligation. It is not currently possible to estimate the financial impact, if any, of these letters of comfort. Letters of comfort for the Financial Year 2020-21 were given to the following ALB after the reporting date: Wilton Park, Great Britain China Centre, and Westminster Foundation for Democracy. These are fully disclosed in note 19 in line with IAS 10, events after the reporting period.

## 13 Retirement Benefit Schemes

Retirement benefits for UK-based employees are provided through the Civil Service pension arrangements. For staff engaged overseas the FCDO observes local employment laws and, where local state pension provision does not meet FCDO requirements, provides for the payment of pensions and other terminal benefits. The FCDO contributes to retirement benefit schemes in the following ways.

### *Civil Service pension scheme*

In respect of UK-based staff, from 1 April 2015 all those newly appointed, and the majority of those already in service, joined the new Civil Servants and Others Pension Scheme or Alpha. Prior to that date, UK-based employees participated in the PCSPS. These are unfunded multi-employer defined benefit schemes and the FCDO does not separately identify its share of the underlying liabilities. For 2020-21, employer contributions of £90,576,434 were paid to the Civil Service pension schemes. The contribution rates are based on salary bands and are set to meet the cost of the benefits accruing during 2020-21 to be paid when the member retires, and not the benefits paid during this period to existing pensioners.

Employees can opt to open a partnership pension account, which is a 'money purchase' stakeholder pension with an employer contribution. Employer contributions of £697,479 were paid to one or more of the appointed stakeholder pension providers. In addition, employer contributions of £26,106, 0.5% of pensionable pay, were paid to the Civil Service pension scheme to cover the cost of the future provision of lump sum benefits on death in service or ill health retirement of these employees.

Further details are given in the Remuneration and Staff Report.

### *Other defined contribution schemes*

For staff engaged overseas, the FCDO operates defined contribution schemes at some Posts. The value of contributions in 2020-21, excluding contributions to local government schemes, was £3,562,049 (2019-20: £3,509,389).

### *Other defined benefit schemes*

The FCDO also operates defined benefit schemes in the countries as shown in the tables below. These are based on final salary and provide for pensions at retirement and for benefits on death or disablement in service. Posts retain responsibility for the stewardship of these schemes and funding is met by the FCDO out of in year resources. They are accounted for under IAS 19 and are subject to annual actuarial review. Actuaries have valued the assets and obligations of each of the schemes as at 31 March 2021 and these values are incorporated in the tables below. These schemes are all closed to new members, and are funded other than for the Cyprus scheme (in respect of former BBC World Service staff who operated on the island) which is unfunded with the benefits being paid out of current resources. The estimated amount of contributions expected to be paid to the schemes in the next Financial Year 2021-22 is £406,000.

Additionally, local staff terminal gratuities are provided at some Posts where other retirement schemes are not available or are insufficient. These are accounted for under IAS 37 and are included under Provisions shown in Note 11.

*Defined Benefit Schemes Recognised in the Statement of Financial Position*

	2020-21 £000	2019-20 £000
<b>Present Value of Funded Obligations</b>		
Canada	(10,504)	(9,150)
Republic of Ireland	(6,944)	(5,763)
Jamaica	(2,413)	(2,407)
Mauritius	(146)	(106)
South Africa	(879)	(722)
Columbia	(19)	(159)
Belgium	(1,157)	(1,117)
<b>Total Present Value of Funded Obligations</b>	<b>(22,062)</b>	<b>(19,424)</b>

	2020-21 £000	2019-20 £000
<b>Fair Value of Plan Assets</b>		
Canada	13,159	11,769
Republic of Ireland	6,789	6,151
Jamaica	2,603	2,706
Mauritius	69	57
South Africa	1,371	1,229
Columbia	33	157
Belgium	662	637
<b>Total Fair Value of Plan Assets</b>	<b>24,686</b>	<b>22,706</b>
<b>Net Asset/(Liability) of Funded Schemes</b>	<b>2,624</b>	<b>3,282</b>

	2020-21 £000	2019-20 £000
<b>Present Value of Unfunded Obligations</b>		
Cyprus	(24,534)	(25,700)
<b>Total</b>	<b>(21,910)</b>	<b>(22,418)</b>

	2020-21 £000	2019-20 £000
<b>Summary</b>		
Net assets	3,347	3,813
Net liabilities	(25,257)	(26,231)
<b>Net Asset/(Liability)</b>	<b>(21,910)</b>	<b>(22,418)</b>
<b>Amounts Recognised in the SOCNE</b>		
Total service costs <sup>1</sup>	326	446
Net Interest <sup>2</sup>	223	481
Exchange differences	(979)	757
<b>Total Included in Employee Benefits Expense</b>	<b>(430)</b>	<b>1,684</b>
<b>Remeasurements</b>	<b>1,698</b>	<b>(1,417)</b>

1 Service costs contain both current and past service costs and curtailment costs where applicable.

2 Net Interest combines interest on obligations and expected return on plan assets.

	2020-21 £000	2019-20 £000
<b>Changes in the Present Value of the Defined Benefit Obligation</b>		
Opening defined benefit obligation	(45,124)	(47,059)
Pensioners in payment exactly matched by annuity contracts	(147)	(81)
Service cost	(326)	(446)
Curtailment / settlement cost	-	-
Interest cost	(1,158)	(1,437)
Contributions by participants	(119)	(123)
Actuarial (losses)/gains	(761)	2,510
Exchange differences	1,407	(321)
Benefits paid	2,405	2,892
Changes in assumptions underlying the present value of the scheme liabilities	(2,773)	(1,059)
<b>Closing Defined Benefit Obligation</b>	<b>(46,596)</b>	<b>(45,124)</b>

	2020-21 £000	2019-20 £000
<b>Changes in the Fair Value of Plan Assets</b>		
Opening fair value of plan assets	22,706	22,917
Pensioners in payment exactly matched by annuity contracts	147	81
Expected return	935	956
Actuarial gains (losses)	1,836	(34)
Contributions by employer	413	580
Contributions by participants	119	123
Exchange differences	(428)	(436)
Benefits paid	(1,042)	(1,481)
Changes in assumptions underlying the present value of the scheme assets	-	-
<b>Closing Fair Value of Plan Assets</b>	<b>24,686</b>	<b>22,706</b>

The major categories of plan assets as a percentage of total plan assets are as follows

	2020-21	2019-20
Equities	25.00%	31.12%
Bonds	22.92%	28.99%
Other	52.08%	39.89%
<b>Principal actuarial assumptions as at 31 March (expressed as weighted averages)</b>		
Discount rate	1.08%	1.36%
Expected return on plan assets	3.61%	4.19%
Future salary increases	2.85%	2.35%
Future pension increases	2.14%	1.91%

## Amounts for the current and previous four years

	2020-21 £000	2019-20 £000	2018-19 £000	2017-18 £000	2016-17 £000	2015-16 £000
<b>Funded Schemes</b>						
Defined benefit obligation	(22,062)	(19,424)	(21,704)	(20,896)	(20,960)	–
Plan assets	24,686	22,706	22,917	21,980	21,731	–
Surplus/(Deficit)	<b>2,624</b>	<b>3,282</b>	<b>1,213</b>	<b>1,084</b>	<b>771</b>	<b>–</b>
<b>Unfunded Scheme</b>						
Defined Benefit Obligation	(24,534)	(25,700)	(25,355)	(27,616)	(29,174)	–
Experience adjustments on plan liabilities	(2,773)	(1,059)	883	307	(3,791)	–
Experience adjustments on plan assets	–	–	–	–	–	–

## Analysis of Movements in Obligations and Assets

	2020-21									
	Brought forward £000	Matched by annuity contracts £000	Exchange £000	Service costs, Curtailment/settlement costs £000	Interest, Finance income £000	Changes in assumptions, Employer contributions £000	Participants contributions £000	Benefits paid £000	Actuarial gains/(losses) £000	Carried forward £000
<b>Present Value of Funded Obligations</b>										
Canada	(9,150)	–	(176)	(100)	(386)	–	(34)	365	(1,023)	(10,504)
Republic of Ireland	(5,763)	–	242	(137)	(85)	(1,367)	(20)	170	16	(6,944)
Jamaica	(2,407)	(147)	434	(69)	(138)	–	(46)	323	(363)	(2,413)
Mauritius	(106)	–	18	(4)	(4)	–	–	–	(50)	(146)
South Africa	(722)	–	(65)	(16)	(88)	(76)	(20)	48	60	(879)
Colombia	(159)	–	1	(1)	–	–	–	128	12	(19)
Belgium	(1,117)	–	43	–	(15)	–	–	8	(76)	(1,157)
	<b>(19,424)</b>	<b>(147)</b>	<b>497</b>	<b>(327)</b>	<b>(716)</b>	<b>(1,443)</b>	<b>(120)</b>	<b>1,042</b>	<b>(1,424)</b>	<b>(22,062)</b>
<b>Fair Value of Plan Assets</b>										
Canada	11,769	–	224	–	494	98	34	(365)	905	13,159
Republic of Ireland	6,151	–	(246)	–	92	157	20	(170)	785	6,789
Jamaica	2,706	147	(476)	–	179	60	46	(323)	264	2,603
Mauritius	57	–	(9)	–	3	16	–	–	2	69
South Africa	1,229	–	106	–	153	36	20	(48)	(125)	1,371
Colombia	157	–	(1)	–	5	–	–	(128)	(0)	33
Belgium	637	–	(25)	–	9	46	–	(8)	3	662
	<b>22,706</b>	<b>147</b>	<b>(427)</b>	<b>–</b>	<b>935</b>	<b>413</b>	<b>120</b>	<b>(1,042)</b>	<b>1,834</b>	<b>24,686</b>
<b>Net Asset/(Liability) of Funded Schemes</b>	<b>3,282</b>	<b>–</b>	<b>70</b>	<b>(327)</b>	<b>219</b>	<b>(1,030)</b>	<b>–</b>	<b>–</b>	<b>410</b>	<b>2,624</b>
<b>Present Value of Unfunded Obligations</b>										
Cyprus	(25,700)	–	909	–	(442)	(1,330)	–	1,363	666	(24,534)
<b>Total</b>	<b>(22,418)</b>	<b>–</b>	<b>979</b>	<b>(327)</b>	<b>(223)</b>	<b>(2,360)</b>	<b>–</b>	<b>1,363</b>	<b>1,076</b>	<b>(21,910)</b>

	2019–20									
	Brought forward	Matched by annuity contracts	Exchange	Service costs, Curtailment/settlement costs	Interest, Finance income	Changes in assumptions, Employer contributions	Participants contributions	Benefits paid	Actuarial gains/(losses)	Carried forward
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>Present Value of Funded Obligations</b>										
Canada	(10,340)	–	134	(114)	(347)	–	(30)	360	1,187	(9,150)
Republic of Ireland	(5,799)	–	(154)	(143)	(87)	342	(20)	16	82	(5,763)
Jamaica	(2,374)	(81)	66	(72)	(159)	–	(46)	197	62	(2,407)
Mauritius	(201)	–	116	(3)	(8)	–	–	–	(10)	(106)
South Africa	(1,225)	–	157	(30)	(95)	195	(27)	392	(89)	(722)
Colombia	(572)	–	66	(84)	–	–	–	413	18	(159)
Belgium	(1,193)	–	(30)	–	(16)	–	–	104	18	(1,117)
	<b>(21,704)</b>	<b>(81)</b>	<b>355</b>	<b>(446)</b>	<b>(712)</b>	<b>537</b>	<b>(123)</b>	<b>1,482</b>	<b>1,268</b>	<b>(19,424)</b>
<b>Fair Value of Plan Assets</b>										
Canada	11,934	–	(163)	–	399	79	30	(360)	(149)	11,769
Republic of Ireland	5,720	–	158	–	87	165	20	(16)	17	6,151
Jamaica	2,663	81	(73)	–	220	57	46	(197)	(91)	2,706
Mauritius	150	–	(112)	–	6	10	–	–	3	57
South Africa	1,666	–	(236)	–	138	44	27	(391)	(18)	1,229
Colombia	118	–	(27)	–	98	193	–	(413)	188	157
Belgium	666	–	17	–	9	33	–	(104)	16	637
	<b>22,917</b>	<b>81</b>	<b>(436)</b>	<b>–</b>	<b>956</b>	<b>580</b>	<b>123</b>	<b>(1,481)</b>	<b>(34)</b>	<b>22,706</b>
<b>Net Asset/(Liability) of Funded Schemes</b>	<b>1,213</b>	<b>–</b>	<b>(81)</b>	<b>(446)</b>	<b>244</b>	<b>1,117</b>	<b>–</b>	<b>1</b>	<b>1,234</b>	<b>3,282</b>
<b>Present Value of Unfunded Obligations</b>										
Cyprus	(25,355)	–	(676)	–	(725)	(1,596)	–	1,410	1,242	(25,700)
<b>Total</b>	<b>(24,142)</b>	<b>–</b>	<b>(757)</b>	<b>(446)</b>	<b>(481)</b>	<b>(479)</b>	<b>–</b>	<b>1,411</b>	<b>2,476</b>	<b>(22,418)</b>

Some of the schemes typically expose the FCDO to key actuarial risks as outlined below which could result in an increase in recommended contributions to maintain their funding positions:

1. Investment risk – the long term real rate of return achieved on scheme assets and the market yields on long term fixed interest and index linked bonds reduce, creating a difference between the returns achieved and that assumed in the calculations.
2. Interest rate risk – a reduction in rates such that the expected costs of future pensions are greater than allowed for in the actuarial assumptions.
3. Remuneration risk – an unexpected increase in the general remuneration level of scheme members above that assumed in the calculations.
4. Inflation risk – future inflation higher than assumed will lead to higher pension payments.
5. Mortality risk – an increase in life expectancy of the schemes' participants will increase the schemes' liabilities.

### Sensitivity analysis

The results of any actuarial calculation are inherently uncertain because of the assumptions which must be made. In recognition of this uncertainty we illustrate below the approximate effects on the actuarial liability of changes to the main actuarial assumptions. The tables show the indicative effects on the scheme total liability as at 31 March 2021 for the Cyprus unfunded scheme and the two largest funded schemes as a result of a change in the stated assumptions. The principal financial assumptions are the nominal discount rate and rate of inflation. An increase in the nominal discount rate assumption will decrease the value of the liabilities and vice versa, whilst an increase in the inflation assumption will increase the value of the liabilities and vice versa. A key demographic assumption is pensioner mortality.

#### Cyprus – Unfunded

Change in assumption	Approximate effect on pension liability	
	%	Euros (000)
1% reduction in discount rate	14%	4,000
1% reduction in inflation rate	-11%	-3,300
Pensioners living on average 2 years longer	9%	2,600

#### Ireland – Funded

Change in assumption	Approximate effect on pension liability	
	%	Euros (000)
1% reduction in discount rate	25%	2,000
1% reduction in inflation rate	-7%	-600
Pensioners living on average 2 years longer	7%	500

#### Canada – Funded

Change in assumption	Approximate effect on pension liability	
	%	CAD (000)
1% reduction in discount rate	17%	3,000
1% reduction in inflation rate	-12%	-2,200
Pensioners living on average 2 years longer	8%	1,500

## 14 Capital and Other Commitments

### 14.1 Capital Commitments

Contracted Capital Commitments at 31 March 2021 not otherwise included in these Financial Statements:

	2020-21		2019-20	
	Core Department & Agencies £000	Departmental Group £000	Core Department & Agencies £000	Departmental Group £000
Estates Projects	96,431	96,431	102,257	102,257
IT Infrastructure	6,108	6,108	2,581	2,581
Vehicles	963	963	75	75
	103,502	103,502	104,913	104,913

### 14.2 Commitments under Leases

#### Operating Leases

Total future minimum lease payments under operating leases are given in the table below for each of the following periods:

	2020-21		2019-20	
	Core Department & Agencies £000	Departmental Group £000	Core Department & Agencies £000	Departmental Group £000
<b>Land and Buildings</b>				
Not later than 1 year	116,310	116,310	90,763	90,763
Later than 1 year but not later than 5 years	211,826	211,826	128,097	128,097
Later than 5 years	484,724	484,724	63,718	63,718
	812,860	812,860	282,578	282,578
<b>Other</b>				
Not later than 1 year	6	6	111	111
Later than 1 year but not later than 5 years	166	166	84	84
Later than 5 years	175	175	10	10
	347	347	205	205
<b>Total</b>	<b>813,207</b>	<b>813,207</b>	<b>282,783</b>	<b>282,783</b>

At present the FCDO does not have any finance leases. The majority of the Operating Lease payments represent rentals for buildings within the FCDO's overseas estate.

Lease terms and rentals vary depending on local circumstances.

A transfer of all rights and freehold of FCDO UK estates were made to Government Property Agency (GPA) on 31 March 2021. The UK estates include King Charles Street, 22 Whitehall and Abercrombie House. The transfer of the UK estates are reflected in Note 5 Property, Plant and Equipment. The FCDO continues to utilise these properties through a leasing agreement with the GPA, the leasing commitment has been recognised in operating leases.

### 14.3 Commitments under PFI Contracts and other service concession arrangements

#### On-Balance Sheet (included within Consolidated Statement of Financial Position)

	2020-21 £000	2019-20 £000
Not later than 1 year	3,773	3,919
Later than 1 year but not later than 5 years	15,093	15,677
Later than 5 years	16,037	20,577
	<b>34,903</b>	<b>40,173</b>
Less Interest element	(10,857)	(13,274)
<b>Present Value of obligations</b>	<b>24,046</b>	<b>26,899</b>
The above liability is disclosed under Payables (Note 10) as follows:		
Amounts falling due within 1 year	1,999	1,923
Amounts falling due after	22,047	24,976
	<b>24,046</b>	<b>26,899</b>

Private Finance Initiative (PFI) transactions have been accounted for in accordance with HMT and FReM requirements. Where the terms of the PFI meet the definition of service concession arrangements in IFRIC 12 Service Concession Arrangements, the infrastructure asset is recognised as a non-current asset and the liability to pay for it is accounted for as a finance lease. Contract payments are apportioned between a reduction in the capital obligation and charges to the SOCNE for service performance and finance cost.

#### *Berlin Embassy*

The contract in respect of the building, operation and maintenance of the British Embassy Berlin runs for a term of 30 years from 23 June 2000 with an option to extend for a further 30 years. The property meets the criteria determined by IFRIC 12, and therefore the embassy is included in the accounts within Property, Plant and Equipment. The initial capitalisation of the contract was reflected in the FCO's accounts for 2002-03.

Contractual payments therefore comprise two elements: imputed finance lease charges and service charges. The liability to

pay for the property is in substance a finance lease obligation.

	2020-21		2019-20	
	Core Department & Agencies	Departmental Group	Core Department & Agencies	Departmental Group
	£000	£000	£000	£000
Not later than 1 year	2,341	2,341	2,294	2,294
Later than 1 year but not later than 5 years	9,363	9,363	9,174	9,174
Later than 5 years	11,703	11,703	13,762	13,762
	<b>23,407</b>	<b>23,407</b>	<b>25,230</b>	<b>25,230</b>

## 14.4 Other financial commitments

The department has entered into non-cancellable contracts (which are not leases or PFI contracts) for facilities management, logistics and computer services.

The payments to which the FCDO is committed, analysed by the period during which the commitment expires, were as follows:

	2020-21		2019-20	
	Core Department & Agencies	Departmental Group	Core Department & Agencies	Departmental Group
	£000	£000	£000	£000
Not later than 1 year	62,495	62,495	70,602	70,602
Later than 1 year but not later than 5 years	5,283	5,283	–	–
Later than 5 years	–	–	5,901	5,901
	<b>67,778</b>	<b>67,778</b>	<b>76,503</b>	<b>76,503</b>

## 15 Third-party assets

The department held the below cash amounts provided to FCDO by other development agencies as part of jointly funded programmes. These funds are held in the capacity of project manager/lead

donor and are disbursed when required by the programme. These are not held in FCDO's name and as such are not included in cash held by the Core Department, as set out in note 8.

	31-Mar-21	31-Mar-20
	£000	£000
Amounts held in third party account	1,500	1,500
	<b>1,500</b>	<b>1,500</b>

## 16 Related parties

The FCDO is the 100% shareholder in CDC Group plc. The FCDO subscribed for a further 650m shares in CDC Group Plc on 24th September 2020 for £650m consideration (2019-20: 955 million shares for £955.0m consideration). These transactions were funded through the use of promissory notes (refer to note 10).

The FCDO is the parent department of Wilton Park Executive Agency, sponsors FCDO Services (a trading fund) and a number of non-departmental and other arm's length public bodies as listed in Note 17. These bodies are regarded as related parties with which the department has had various material transactions during the year.

The FCDO provides the One HMG platform overseas. As a consequence it has had regular transactions with a number of Partners across Government, including:

- British Council
- Cabinet Office
- Department for International Trade (DIT)
- HM Treasury (HMT)
- HM Revenue and Customs (HMRC)
- Home Office, including UKVI
- Ministry of Defence (MOD)
- National Crime Agency (NCA)

The FCDO had a 40% interest in Actis LLP until 30 April 2012 at which point the department entered into a binding sales agreement to dispose of this interest. The FCDO is entitled to a fixed amount which was payable on 1 May 2012 and 1 May 2013 plus an element of carried interest dependent on the future performance of certain Actis funds. The carried interest element is reflected as a contingent asset

within note 12. During the year ended 31 March 2021, the FCDO received carried interest payments of US\$1.3 million (2019-20: US\$0.1 million).

Sir Philip Barton, Permanent Under-Secretary, declared that his sister works for Oxford University Clinical Research Unit who received funding from the department of £1,188,963 for a global health programme. Nic Hailey, a member of the FCDO Management Board, disclosed that his wife works for the World Bank in a sector which the department provided funding of £4,961,000 during 2020-21. Beverley Tew, a non-executive director, is a Trustee of Plan International UK (a global children's charity) who received payments totalling £10,490,062 in 2020-21.

Further to this, no minister, Board member, key manager or other related party has undertaken any material transactions with the department during the year. Please refer to Section 2.2 Remuneration Report for details of salaries paid to ministers, Board members and senior managers. There are no potential conflicts of interest to report.

## 17 Associated entities inside the Departmental accounting boundary

Within its accounting boundary (and thus consolidated in these accounts) the FCDO has four Non-Departmental Public Bodies and one Executive Agency. The entities within the boundary during 2020-21 were:

Wilton Park Executive Agency. Wilton Park provides a global forum for strategic discussions. Wilton Park is governed by a Framework Document, which was updated in 2019, and is reviewed every three years. The FCDO Director of Communications is the Senior Departmental Officer for the FCDO relationship, and sits on the Wilton

Park Board. Communications Directorate provide annual core funding to Wilton Park; other Directorates within the FCDO may provide additional discretionary funding to support specific Wilton Park conferences. The Foreign Secretary appoints the Non-Executive Chair of the Wilton Park Board, for a period of five years (extendable) and the Permanent Under-Secretary appoints the Chief Executive for a fixed period of three years, with a possibility of extension under Civil Service appointment terms. The Annual Report and Accounts of Wilton Park is published separately. See [www.wiltonpark.org.uk](http://www.wiltonpark.org.uk)

The Great Britain-China Centre and its subsidiary The UK China Forum. The FCDO provides GBCC with annual Grant-in-Aid. The Foreign Secretary signs off appointments of the Chair. China Department is the sponsoring team for FCDO; the head of the FCDO's China Department sits on the Board. GBCC's mission is to promote mutual trust and understanding between the UK and China by building long-term connections between decision-makers. GBCC also works to promote the rule of law, good governance and sustainable development. The Annual Report and Accounts can be found at [www.gbcc.org.uk](http://www.gbcc.org.uk)

The Marshall Aid Commemoration Commission was established under the 1953 Marshall Aid Commemoration Commission Act, and awards up to 40 postgraduate scholarships in the UK each year for students from the USA with the potential to excel in their chosen fields of study and future careers. The FCDO provides MACC with Grant-in-Aid. The Head of the FCDO Public Diplomacy Team within Communications Directorate represents the FCDO at MACC Board meetings. The Foreign Secretary signs off the MACC

annual report, and all appointments to the MACC Board, including the Chair.

The Annual Report and Accounts can be found at <http://www.marshallscholarships.org/>

The Westminster Foundation for Democracy Limited supports democratic practices in developing democracies. WFD is supported by both Grant-in-Aid from the FCO and via a grant from DFID. The relationship between the WFD and the FCDO is governed by a Framework Document. The Foreign Secretary is accountable to Parliament for the activities of WFD and has responsibility for approving their strategic objectives, the appointment of the CEO, the Board, and laying of the WFD accounts before Parliament. Human Rights and Democracy Department is the sponsoring team in the FCDO and is the principal source of advice to the Foreign Secretary and the PUS on these matters. Officials report regularly to Ministers on WFD-related issues, in particular on funding, corporate planning and review-related issues. The Annual Report and Accounts can be found at [www.wfd.org](http://www.wfd.org)

The Commonwealth Scholarship Commission operates within the framework of the Commonwealth Scholarship and Fellowship Plan (CSFP). The CSC comprises up to 14 Commissioners and a chair, who are appointed by the Secretary of State for Foreign, Commonwealth and Development Affairs. The CSC's secretariat is provided by the Association of Commonwealth Universities. The CSC manages the UK's contribution to the Commonwealth Scholarship and Fellowship Plan (CSFP), an international programme under which member governments offer scholarships and fellowships to citizens of other Commonwealth countries.

Income and expenditure for the FCDO incorporated financing of the following Non Departmental Public Bodies, in full or in part, in the current Financial Year:

Advisory NDPB

UK India Advisory Council.

Independent Commission for Aid Impact

Advisory NDPBs consist of external experts who operate in a personal capacity to advise ministers on particular policy areas. FCDO as the sponsoring department will provide funding as needed out of its budget.

### **Associated entities outside the Departmental accounting boundary**

The FCDO takes the lead for three public sector bodies which are outside the accounting boundary:

British Council (Executive NDPB, charity established by Royal Charter, Public Corporation). The British Council is a charity, public corporation and an NDPB. It is governed by a Royal Charter which sets its Charitable Objects. It is the UK's international organisation for cultural relations and educational opportunities, building lasting relationships between the UK and other countries. The British Council represents a UK voice in the world by teaching English abroad, encouraging international students to study in the UK and supporting British students to study overseas. Culture plays a vital role in its work promoting the UK abroad. The FCDO provides the British Council with financial support, but the majority of the British Council's income and expenditure stems from its own earned income. The FCDO's

Director General Middle East, North Africa, Afghanistan and Pakistan is a member of the British Council Board of Trustees. FCDO Ministers and senior officials meet the British Council Chair and Chief Executive regularly. The British Council must seek the agreement of the FCDO if it proposes opening or closing any of its representation overseas. The Annual Report and Accounts can be found at [www.britishcouncil.org](http://www.britishcouncil.org)

FCDO Services (FCDOS) is an agency of FCDO as well as a trading fund. As a Trading Fund FCDOS provides a range of integrated secure services worldwide to the FCDO, other UK public bodies and foreign governments and international organisations closely linked to the UK. FCDOS generates its own income to fund its activities.

The FCDO holds an investment in FCDOS, comprised of 100% of its Public Dividend Capital of £4,981,000. The Annual Report and Accounts can be found at [www.FCDOServices.gov.uk](http://www.FCDOServices.gov.uk)

British Intergovernment Services Authority (BISA) which was set up to oversee delivery of the UK Government's obligations under Government to Government agreements, although to date it has not started trading. BISA and its subsidiary the Kuwait Delivery Authority (KDA) are companies limited by shares, incorporated on 27 August 2013 and 17 October 2013 respectively. The Foreign Secretary owns the entire issued share capital of BISA, which in turn owns the entire issued share capital of KDA. Neither company has traded therefore both are entitled to exemption from audit under section 480 of the Companies Act 2006 relating to dormant companies.

## 18 Impact of Restatement

### Merger accounting

On 16 June 2020 the Prime Minister announced the merger of the Department for International Development and the Foreign and Commonwealth Office.

The new single department known as the Foreign, Commonwealth and Development Office was created on 2 September 2020. In accordance with the FReM 2020-21, the FCDO has accounted for the change as a Machinery of Government (MOG) merger applying IFRS 3.

In accordance with IAS 8, the change has been re-presented with effect from the earliest opening period, which is 1 April 2019.

### Change to Accounting Policies

Accounting policies are disclosed in Note 1 of the Accounts. On the creation of FCDO the following changes to accounting policies

were made to align the two former departments' policies:

- to set the capitalisation threshold for the new Core Department to £10,000 for non-current tangible and intangible assets (it had been £1,000 in DFID),
- to remove Fixtures and Fittings as a separate non-current asset category and expensing the previous balance held by DFID; and
- to align DFID's asset lives for non-current assets with those of FCO.

The impact of the merger is that transactions and balances between FCO and DFID have been eliminated within the financial statements. The changes are included within the column Merger FCDO.

The tables below set out the changes to the comparative figures.

### Impact of restatements on opening balances for the Department Group at 31 March 2020

	Balance at 31 March 2020 per 2019-20 published accounts (DFID) £000	Balance at 31 March 2020 per 2019-20 published accounts (FCO) £000	Nature of restatement		Restated merged balance at 31 March 2020 £000
			Capitalisation Policy Alignments £000	Merger FCDO £000	
<b>Consolidated Statement of Comprehensive Net Expenditure</b>					
Net expenditure for the period	9,295,415	2,589,216			11,884,631
Other comprehensive net income and expenditure	532,813	(125,129)		(1)	407,683
Total comprehensive expenditure	9,828,228	2,464,087		(1)	12,292,314

	Balance at 31 March 2020 per 2019-20 published accounts (DFID) £000	Balance at 31 March 2020 per 2019-20 published accounts (FCO) £000	Nature of restatement		Restated merged balance at 31 March 2020 £000
			Capitalisation Policy Alignments £000	Merger FCDO £000	
<b>Consolidated Statement of Financial Position</b>					
Non-current assets	12,437,265	3,074,787	(4,601)		15,507,451
Current assets <sup>104</sup>	230,007	342,760		(11,741)	561,026
Current liabilities	(6,183,917)	(518,241)		11,038	(6,691,120)
Non-current liabilities	(668,996)	(94,329)		1,699	(761,626)
General fund	(115,498)	1,002,665	(4,601)	996	883,562
Revaluation reserve	5,929,857	1,802,312		–	7,732,169

### Impact of restatements on opening balances for Core Department and Agencies at 31 March 2020

	Balance at 31 March 2020 per 2019-20 published accounts (DFID) £000	Balance at 31 March 2020 per 2019-20 published accounts (FCO) £000	Nature of restatement		Restated merged balance at 31 March 2020 £000
			Capitalisation Policy Alignment £000	Merger FCDO £000	
<b>Consolidated Statement of Comprehensive Net Expenditure</b>					
Net expenditure for the period <sup>105</sup>	9,298,118	2,589,357		–	11,887,475
Other comprehensive net income and expenditure	532,995	(125,129)		–	407,866
Total comprehensive expenditure	9,831,113	2,464,228		–	12,295,341
Consolidated Statement of Financial Position					
Non-current assets	12,437,265	3,074,724	(4,601)		15,507,388
Current assets <sup>106</sup>	228,885	336,767		(11,741)	553,911
Current liabilities	(6,183,322)	(514,451)		10,443	(6,687,330)
Non-current liabilities	(668,996)	(94,330)		1,700	(761,626)
General fund	(116,025)	1,000,398	(4,601)	402	880,174
Revaluation reserve	5,929,857	1,802,312			7,732,169

<sup>104</sup> Current Assets for DFID eliminates £7 million for Supply adjustment, and for FCO eliminates £73k for adjustments on consolidation.

<sup>105</sup> Net Expenditure for the period includes eliminations of £72 million, the majority represented by UK Government SLA cross charging.

<sup>106</sup> Current Assets for DFID eliminates £7 million for Supply adjustment and for FCO eliminates £898k for adjustments on consolidation

## Impact of restatements on opening balances for the Department Group at 1 April 2019

	Balance at 31 March 2019 per 2018-19 published accounts £000	Re presented balance at 31 March 2019 per 2018-19 published accounts £000	Nature of restatement		Restated merged opening balance as at 1 April 2019 £000
			Capitalisation Policy Alignment £000	Merger FCDO £000	
Consolidated Statement of Financial Position					
Non-current assets	11,910,062	2,963,369			14,873,431
Current assets	357,046	257,722		(4,237)	610,531
Current liabilities	(6,781,134)	(423,268)		3,639	(7,200,763)
Non-current liabilities	(805,942)	(94,369)			(900,311)
General fund <sup>107</sup>	(1,782,638)	962,916		(598)	(820,320)
Revaluation reserve	6,462,670	1,740,538			8,203,208

## Impact of restatements on opening balances for Core Department and Agencies at 1 April 2019

	Balance at 31 March 2019 per 2018-19 published accounts £000	Re presented balance at 31 March 2019 per 2018-19 published accounts £000	Nature of restatement		Restated merged opening balance as at 1 April 2019 £000
			Capitalisation Policy Alignment £000	Merger FCDO £000	
Consolidated Statement of Financial Position					
Non-current assets	11,908,656	2,963,344		–	14,872,000
Current assets	355,347	252,009		(4,237)	603,119
Current liabilities	(6,777,318)	(419,740)		3,639	(7,193,419)
Non-current liabilities	(804,295)	(94,333)		–	(898,628)
General fund <sup>108</sup>	(1,780,462)	960,742		(598)	(820,318)
Revaluation reserve	6,462,852	1,740,538		–	8,203,390

<sup>107</sup> General Fund for DFID eliminates £368k for adjustments on consolidation, and for FCO eliminates £898k for adjustments on consolidation

<sup>108</sup> General Fund for FCO eliminates £828k for adjustments on consolidation

## 19 Events after the reporting period

In accordance with the requirements of IAS 10, events after the reporting period are considered up to the date on which the accounts are authorised for issue. This is interpreted as the date of the Certificate and Report of the Comptroller and Auditor General.

The Accounting Officer authorised these financial statements for issue on the same date as the Comptroller & Auditor General's Audit Certificate. The accounts do not reflect events after this date

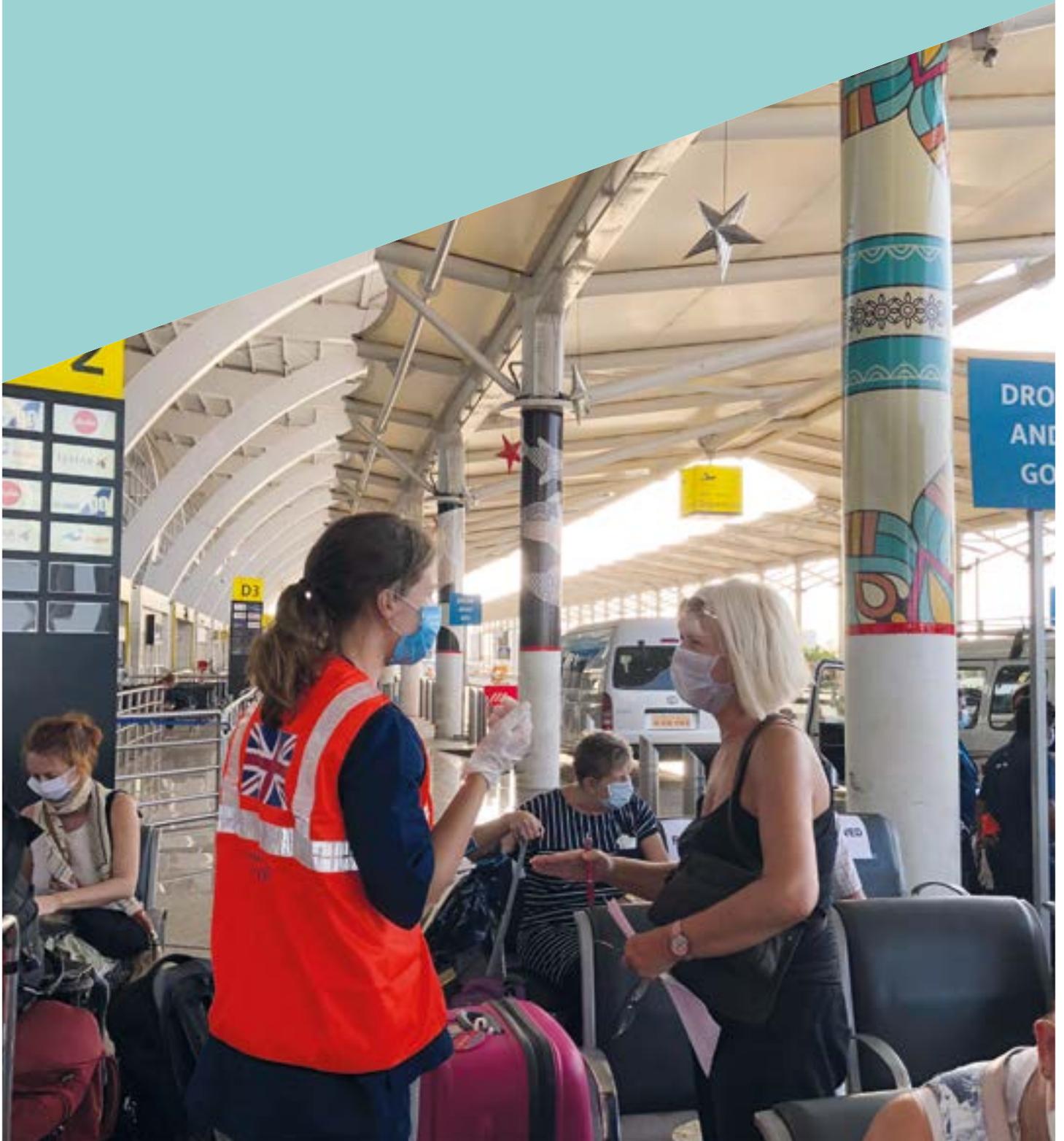
After 31 March 2021, the FCDO issued Letters of Comfort to the following Arm's Length Bodies, sponsored by FCDO: Wilton Park Agency, GBCC, and WFD. The Letters of Comfort give assurance to the ALBs that the FCDO will provide them with sufficient financial resources in order to ensure they can meet their financial obligations, and that they can continue as going concerns, for at

least 12 months from the date that their accounts are certified by the Comptroller & Auditor General. It is not currently possible to estimate the financial impact, if any, of these letters of comfort.

International forces withdrew from Afghanistan in 2021. The British Embassy in Kabul suspended in-country operations in August 2021 and temporarily relocated to Doha, Qatar. As at 31 March 2021 the Net Book Value of FCDO assets in Afghanistan was £10.5m, largely in respect of armoured vehicles, equipment and building enhancements. Further work is under way to assess the potential financial impact for 2021-22.

The Rt Hon Elizabeth Truss was appointed Secretary of State for Foreign, Commonwealth and Development Affairs on 15 September 2021 replacing The Rt Hon Dominic Raab.

# Section 4: Annexes



# Annex A: FCDO Programme Allocations

**The FCDO's available programme resources are allocated mainly to country offices or to central departments, whose programmes cover a range of countries or regions. Allocations are based on the FCDO's internal business planning process which allocated our total budget for 2021-22 in accordance with UK strategic priorities, as set out by the Foreign Secretary in the WMS laid on 21 April 2021. Throughout the business planning process, we strived to ensure that every penny of the FCDO's spend brings maximum strategic coherence, impact and value for taxpayers' money.**

The resulting portfolio marks a strategic shift, putting our aid budget to work alongside our diplomatic network, our science and technology expertise and our economic partnerships in tackling global challenges. We focus on core UK Government priorities for poverty reduction, including getting more girls into school, providing urgent humanitarian support to those who need it most, and tackling global threats like climate change, COVID-19 recovery and other international health priorities. Based on OECD data for 2020, the UK will be the third largest ODA donor in the G7 as a percentage of GNI in 2021.

Table A.1 sets out the FCDO's actual ODA and Non-ODA programme resource outturn for 2020-21 and budget for 2021-22, along with the Imputed Multilateral Shares.

All future plans are subject to revision as, by its nature, the department's work is dynamic. The FCDO's ODA allocations are continually reviewed to respond to changing global needs, including humanitarian crises

and to ensure aid is used effectively to achieve poverty reduction. The precise way in which the FCDO spends will reflect changing demands, and the speed at which different programmes are implemented and new programmes developed, whilst, at the same time, protecting ministerial commitments.

Annual budgets can change due to fluctuations in Gross National Income projections and other Official Development Assistance allocation decisions made at the Budget. Notably, on 19 August 2021 humanitarian and development aid to Afghanistan was doubled: <https://www.gov.uk/government/news/uk-doubles-aid-to-afghanistan>

The following table shows the breakdown of programme budgets currently allocated to individual countries for 2021-22, along with the imputed multilateral shares, which are explained in more detail below. It should be noted this does not reflect the full range of UK aid spent in these individual countries.

Other UK Government departments also spend a large amount of ODA overseas. Details of ODA spent by other government departments can be found in their Annual Report and Accounts and the Statistics for International Development.

Following the FCDO merger the Department continues to operate on two financial systems bringing together the spending and allocation data for geographic areas and specific themes. Where possible the table provides country allocations, non-ODA is not available at a country level and has been included in Central Programmes for completeness.

The 2020-21 outturn reflects the FCDO organisational structure as at 31 March 2021. Some further organisational changes will be implemented from 1 April 2022 and therefore outturn will not always directly align with allocations.

Imputed multilateral shares (IMS) are approximations of how much core multilateral funding flows from donors through multilateral organisations to countries. Operating through multilateral platforms allows us to show global leadership, tackle challenges that the UK can't solve alone, and work with our bilateral allies on global issues that matter to the UK.

While the UK's core multilateral investments give us influence over a scale of operation far larger than the UK's contribution (e.g. by influencing multilateral strategic priorities), the UK does not have direct control over how funds are allocated. A geographical breakdown of the UK's core contributions to multilaterals is estimated using the geographical distribution of disbursements made by multilaterals and reported to the OECD (these are called the 'Imputed Multilateral Shares (IMS)'). The imputed multilateral share approach better suits the activities of some multilateral organisations than others, and not all multilaterals report their activities to the OECD, so IMS should not be considered an exact number or 'UK spend'. However, it is a useful proxy to identify countries in which multilaterals the UK funds are significant actors, and where significant UK IMS could be used to prioritise and support UK Government engagement and influencing in country. Historical average IMS for 2015 to 2019 have been included in the table below as an illustrative example of this. It is important to note that the IMS should not be added to the allocation column. The UK IMS by year for the period 2015-2019 can be found in Table B5 in Annex B.

	2020-21 Programme Outturn			2021-22 Plans <sup>1,2</sup>			Historic UK Imputed Multilateral Share by benefitting country (Average 2015– 2019) <sup>3,4,5,6</sup>
	FCDO ODA	FCDO Non- ODA	FCDO (£000's)	FCDO ODA	FCDO Non- ODA	FCDO (£000's)	
	UK (£000's)						
<b>Regional Programmes</b>							
<b>Afghanistan &amp; Pakistan</b>	<b>313,610</b>	<b>–</b>	<b>313,610</b>	<b>242,645</b>	<b>–</b>	<b>242,645</b>	200,061
Afghanistan <sup>25</sup>	153,673	–	153,673	145,000	–	145,000	72,483
Pakistan	159,936	–	159,936	97,645	–	97,645	127,578
<b>Africa (East &amp; Central)</b>	<b>1,116,272</b>	<b>–</b>	<b>1,116,272</b>	<b>545,908</b>	<b>–</b>	<b>545,908</b>	n/a
Africa Regional Department	210,101	–	210,101	102,900	–	102,900	n/a
Burundi	–	–	–	3,100	–	3,100	24,704
Ethiopia	240,527	–	240,527	107,550	–	107,550	210,620
Kenya	67,255	–	67,255	41,000	–	41,000	112,472
Rwanda	40,809	–	40,809	23,780	–	23,780	74,308
Somalia	121,149	–	121,149	71,200	–	71,200	39,046
South Sudan	135,347	–	135,347	68,400	–	68,400	40,664
Sudan	142,607	–	142,607	62,200	–	62,200	35,248
Tanzania	89,167	–	89,167	28,528	–	28,528	107,890
Uganda	69,310	–	69,310	37,250	–	37,250	70,504
<b>Africa (West &amp; Southern)</b>	<b>708,873</b>	<b>–</b>	<b>708,873</b>	<b>345,223</b>	<b>–</b>	<b>345,223</b>	n/a
Africa Directorate	11,411	–	11,411	–	–	–	n/a
DRC	121,222	–	121,222	56,303	–	56,303	126,864
Ghana and Liberia	20,941	–	20,941	10,500	–	10,500	127,621
Malawi	52,417	–	52,417	25,400	–	25,400	67,551
Mozambique	51,009	–	51,009	28,400	–	28,400	64,598
Nigeria	209,398	–	209,398	95,120	–	95,120	152,872
Sierra Leone	63,162	–	63,162	37,300	–	37,300	38,968

	2020-21 Programme Outturn			2021-22 Plans <sup>1,2</sup>			Historic UK Imputed Multilateral Share by benefitting country (Average 2015– 2019) <sup>3,4,5,6</sup>
	FCDO ODA	FCDO Non- ODA	FCDO (£000's)	FCDO ODA	FCDO Non- ODA	FCDO (£000's)	UK (£000's)
	Southern Africa	4,467	–	4,467	10,500	–	10,500
Zambia	34,317	–	34,317	14,200	–	14,200	34,847
Zimbabwe	79,109	–	79,109	43,700	–	43,700	28,694
Joint Sahel Dept	61,420	–	61,420	23,800	–	23,800	300,642
<b>African countries/ regions not included elsewhere in the table<sup>7</sup></b>	–	–	–	–	–	–	700,831
<b>Americas &amp; SIDS</b>	<b>38,699</b>	<b>–</b>	<b>38,699</b>	<b>40,211</b>	<b>–</b>	<b>40,211</b>	n/a
Brazil	110	–	110	7,784	–	7,784	4,487
Caribbean	21,569	–	21,569	25,127	–	25,127	68,433
Colombia	–	–	–	2,300	–	2,300	13,559
Mexico	–	–	–	4,700	–	4,700	5,212
Venezuela	17,020	–	17,020	300	–	300	3,670
Other Americas & SIDS countries/ regions <sup>8</sup>	–	–	–	n/a	–	n/a	110,978
<b>Eastern Europe &amp; Central Asia</b>	<b>11,421</b>	<b>–</b>	<b>11,421</b>	<b>15,898</b>	<b>–</b>	<b>15,898</b>	n/a
Central Asia	6,483	–	6,483	–	–	–	n/a
EECAD Directorate <sup>9</sup>	4,938	–	4,938	15,898	–	15,898	147,187
<b>Europe</b>	<b>41,125</b>	<b>–</b>	<b>41,125</b>	<b>31,178</b>	<b>–</b>	<b>31,178</b>	n/a
Turkey	41,125	–	41,125	25,850	–	25,850	95,945
Western Balkans Department/Western Balkans Programme Unit <sup>10</sup>	–	–	–	5,328	–	5,328	74,899

	2020-21 Programme Outturn			2021-22 Plans <sup>1,2</sup>			Historic UK Imputed Multilateral Share by benefitting country (Average 2015– 2019) <sup>3,4,5,6</sup>
	FCDO ODA	FCDO Non- ODA	FCDO (£000's)	FCDO ODA	FCDO Non- ODA	FCDO (£000's)	
Other European countries/regions <sup>11</sup>	–	–	–	n/a	–	n/a	49,148
<b>Indo Pacific (China &amp; N/E Asia)</b>	<b>2,167</b>	–	<b>2,167</b>	<b>13,650</b>	–	<b>13,650</b>	n/a
China <sup>12</sup>	2,167	–	2,167	13,650	–	13,650	7,543
<b>Indo Pacific (India &amp; Indian Ocean)</b>	<b>358,632</b>	–	<b>358,632</b>	<b>201,406</b>	–	<b>201,406</b>	n/a
Asia Regional Team	47,519	–	47,519	25,708	–	25,708	–
Bangladesh	189,802	–	189,802	72,566	–	72,566	177,495
India	41,494	–	41,494	55,287	–	55,287	152,112
Nepal	79,816	–	79,816	47,846	–	47,846	63,592
<b>Indo Pacific (S/E Asia &amp; Pacific)</b>	<b>103,611</b>	–	<b>103,611</b>	<b>95,568</b>	–	<b>95,568</b>	n/a
Indonesia	11,632	–	11,632	14,200	–	14,200	19,512
Myanmar	91,979	–	91,979	49,500	–	49,500	39,715
Pacific Department (Pacific Community subscription) <sup>10</sup>	–	–	–	350	–	350	71,512
South East Asia & Pacific Department (ASEAN Regional Programmes) <sup>10</sup>	–	–	–	31,518	–	31,518	n/a
Other Indo Pacific and Asia Countries/regions <sup>13</sup>	–	–	–	n/a	–	n/a	255,850
<b>Middle East and North Africa</b>	<b>621,424</b>	–	<b>621,424</b>	<b>237,582</b>	–	<b>237,582</b>	n/a
Egypt	–	–	–	4,000	–	4,000	18,306
Iraq	15,800	–	15,800	10,000	–	10,000	22,898

	2020-21 Programme Outturn			2021-22 Plans <sup>1,2</sup>			Historic UK Imputed Multilateral Share by benefitting country (Average 2015– 2019) <sup>3,4,5,6</sup>
	FCDO ODA	FCDO Non- ODA	FCDO (£000's)	FCDO ODA	FCDO Non- ODA	FCDO (£000's)	UK (£000's)
Jordan	64,735	–	64,735	36,000	–	36,000	31,023
Lebanon	84,956	–	84,956	13,105	–	13,105	26,749
Libya	–	–	–	1,000	–	1,000	6,891
MENAD Regional	745	–	745	16,127	–	16,127	n/a
North Africa Joint Unit	1,388	–	1,388	–	–	–	n/a
Occupied Palestinian Territories	79,753	–	79,753	26,950	–	26,950	59,438
Syria	153,464	–	153,464	48,000	–	48,000	42,143
Yemen	220,583	–	220,583	82,400	–	82,400	53,167
Other North African and Middle East countries/regions <sup>14</sup>	–	–	–	n/a	–	n/a	98,553
<b>Overseas Territories</b>	<b>74,056</b>	<b>–</b>	<b>74,056</b>	<b>75,981</b>	<b>–</b>	<b>75,981</b>	865
Overseas Territories Department <sup>15</sup>	74,056	–	74,056	75,981	–	75,981	865
<b>Low-income countries, rest of the world</b>			<b>n/a</b>	<b>n/a</b>		<b>n/a</b>	285,447
<b>Not reported by multilaterals<sup>16</sup></b>			<b>n/a</b>	<b>n/a</b>		<b>n/a</b>	399,526
<b>Regional Programmes TOTAL</b>	<b>3,389,889</b>	<b>–</b>	<b>3,389,889</b>	<b>1,845,250</b>	<b>–</b>	<b>1,845,250</b>	

	2020-21 Programme Outturn			2021-22 Plans <sup>1,2</sup>			Historic UK Imputed Multilateral Share by benefitting country (Average 2015–2019) <sup>3,4,5,6</sup>
	FCDO ODA	FCDO Non-ODA	FCDO (£000's)	FCDO ODA	FCDO Non-ODA	FCDO (£000's)	
<b>Policy, Priorities International Organisations and Humanitarian</b>							
<b>Chief Scientific Adviser</b>	<b>643,708</b>	–	<b>643,708</b>	<b>270,185</b>	<b>5,200</b>	<b>275,385</b>	
Evaluation and Statistics	13,569	–	13,569	5,765	200	5,965	
Evidence and Capability	597	–	597	5,050		5,050	
Evidence, Use and Capability	15,936	–	15,936	–	900	900	
Research Department	613,606	–	613,606	259,370	4,100	263,470	
<b>Climate &amp; Environment</b>	<b>330,812</b>	–	<b>330,812</b>	<b>214,418</b>		<b>214,418</b>	
Climate, Environment & Natural Resources Dept	79,025	–	79,025	109,306		109,306	
International Climate Change & Green Growth Dept	251,787	–	251,787	105,112		105,112	
<b>Conflict, Stabilisation &amp; Mediation</b>	<b>5</b>	–	<b>5</b>	<b>27,300</b>		<b>27,300</b>	
Stabilisation Unit	5	–	5	27,300		27,300	
<b>Delivery &amp; Analysis</b>	<b>21,005</b>	–	<b>21,005</b>	<b>19,699</b>		<b>19,699</b>	
Better Delivery	–	–	–	282		282	
Emerging Policy, Innovation & Capability	15,134	–	15,134	11,000		11,000	

	2020-21 Programme Outturn			2021-22 Plans <sup>1,2</sup>			Historic UK Imputed Multilateral Share by benefitting country (Average 2015– 2019) <sup>3,4,5,6</sup>
	FCDO ODA	FCDO Non- ODA	FCDO (£000's)	FCDO ODA	FCDO Non- ODA	FCDO (£000's)	
Global Partnerships and Multilateral Effectiveness Department	2,086	–	2,086	1,000		1,000	
Safeguarding Unit	3,784	–	3,784	7,417		7,417	
<b>Economic Cooperation &amp; Growth</b>	<b>61,416</b>	<b>–</b>	<b>61,416</b>	<b>84,744</b>	<b>2,975</b>	<b>87,719</b>	
Growth and Resilience Dept	61,416	–	61,416	37,607		37,607	
Prosperity Fund Department	–	–	–	12,612		12,612	
UK Representation to UN Food and Agriculture Agencies in Rome <sup>10</sup>	–	–	–	34,525	2,975	37,500	
<b>Education, Gender &amp; Equality</b>	<b>308,004</b>	<b>–</b>	<b>308,004</b>	<b>124,306</b>	<b>4,920</b>	<b>129,226</b>	
Children Youth and Education Department	203,659	–	203,659	85,257		85,257	
Inclusive Societies Department <sup>17</sup>	104,345	–	104,345	–		–	
Gender and Equalities Department <sup>10</sup>	–	–	–	25,431		25,431	
Scholarships, Tertiary Education and Partnerships <sup>10</sup>	–	–	–	13,618	4,920	18,538	
<b>Europe</b>	<b>1,087,555</b>	<b>–</b>	<b>1,087,555</b>	<b>1,183,000</b>		<b>1,183,000</b>	
EU Attribution	522,000	–	522,000	663,000		663,000	
Europe Department	565,555	–	565,555	520,000		520,000	

	2020-21 Programme Outturn			2021-22 Plans <sup>1,2</sup>			Historic UK Imputed Multilateral Share by benefitting country (Average 2015– 2019) <sup>3,4,5,6</sup>
	FCDO ODA	FCDO Non- ODA	FCDO (£000's)	FCDO ODA	FCDO Non- ODA	FCDO (£000's)	
<b>Health</b>	<b>1,158,572</b>	–	<b>1,158,572</b>	<b>915,706</b>		<b>915,706</b>	
Global Funds Department	1,020,845	–	1,020,845	874,709		874,709	
Human Development Department	137,727	–	137,727	40,997		40,997	
<b>Humanitarian</b>	<b>546,564</b>	–	<b>546,564</b>	<b>277,824</b>		<b>277,824</b>	
Conflict, Humanitarian and Security Department	477,354	–	477,354	259,523		259,523	
Conflict, Security and Migration Department	69,210	–	69,210	18,301		18,301	
<b>International Finance</b>	<b>2,565,763</b>	<b>7,831</b>	<b>2,573,593</b>	<b>1,694,091</b>		<b>1,694,091</b>	
International Financial Institutions Department	1,586,053	–	1,586,053	851,957		851,957	
Private Sector Department	811,616	–	811,616	833,134		833,134	
Public Finance and Tax Department	13,299	–	13,299	9,000		9,000	
United Nations and Commonwealth Dept (UNCD) <sup>18</sup>	154,795	7,831	162,625	–		–	
<b>Multilateral, Sanctions, Strategic Engagement Directorate</b>	–	–	–	<b>27,106</b>		<b>27,106</b>	
Multilateral, Sanctions, Strategic Engagement Directorate <sup>10</sup>	–	–	–	27,106		27,106	

	2020-21 Programme Outturn			2021-22 Plans <sup>1,2</sup>			Historic UK Imputed Multilateral Share by benefitting country (Average 2015–2019) <sup>3,4,5,6</sup>
	FCDO ODA	FCDO Non-ODA	FCDO (£000's)	FCDO ODA	FCDO Non-ODA	FCDO (£000's)	
<b>Open Societies</b>	<b>30,537</b>	<b>–</b>	<b>30,537</b>	<b>122,034</b>		<b>122,034</b>	
Governance, Open Societies & Anti-Corruption Dept	30,537	–	30,537	122,034		122,034	
<b>Trade</b>	<b>16,872</b>	<b>–</b>	<b>16,872</b>	<b>12,527</b>		<b>12,527</b>	
Trade for Development	16,872	–	16,872	12,527		12,527	
<b>Policy, Priorities International Organisations and Humanitarian TOTAL</b>	<b>6,770,814</b>	<b>7,831</b>	<b>6,778,644</b>	<b>4,972,939</b>	<b>13,095</b>	<b>4,986,034</b>	
<b>Conflict, Stability and Security Fund TOTAL<sup>19</sup></b>	<b>540,068</b>	<b>383,230</b>	<b>923,298</b>	<b>288,492</b>	<b>432,163</b>	<b>720,655</b>	
<b>Prosperity Fund TOTAL<sup>20</sup></b>	<b>212,448</b>	<b>5,304</b>	<b>217,752</b>	<b>–</b>	<b>–</b>	<b>–</b>	
<b>Non-Departmental Public Bodies &amp; Scholarships</b>							
<b>Education, Gender &amp; Equality</b>	<b>74,952</b>	<b>2,480</b>	<b>77,432</b>	<b>85,450</b>	<b>4,380</b>	<b>89,830</b>	
Commonwealth Scholarship Commission	24,555	–	24,555	27,800	–	27,800	
Chevening Scholarship	50,397	–	50,397	57,650	1,680	59,330	
Marshall Aid Commemoration Commission	–	2,480	2,480	–	2,700	2,700	

	2020-21 Programme Outturn			2021-22 Plans <sup>1,2</sup>			Historic UK Imputed Multilateral Share by benefitting country (Average 2015– 2019) <sup>3,4,5,6</sup>
	FCDO ODA	FCDO Non- ODA	FCDO (£000's)	FCDO ODA	FCDO Non- ODA	FCDO (£000's)	
	UK (£000's)						
<b>Delivery &amp; Analysis</b>	<b>2,228</b>	<b>–</b>	<b>2,228</b>	<b>2,800</b>	<b>–</b>	<b>2,800</b>	
Independent Commission for Aid Impact	2,228	–	2,228	2,800	–	2,800	
<b>Executive Agency</b>	<b>544</b>	<b>5,267</b>	<b>5,811</b>	<b>1,400</b>	<b>500</b>	<b>1,900</b>	
Wilton Park <sup>21</sup>	544	5,267	5,811	1,400	500	1,900	
<b>Open Societies and Human Rights</b>	<b>2,990</b>	<b>–</b>	<b>2,990</b>	<b>4,587</b>	<b>350</b>	<b>4,937</b>	
Westminster Foundation for Democracy	2,990	–	2,990	4,587	350	4,937	
<b>North East Asia and China</b>	<b>359</b>	<b>–</b>	<b>359</b>	<b>500</b>	<b>–</b>	<b>500</b>	
Great Britain China Centre	359	–	359	500	–	500	
<b>British Council</b>	<b>134,426</b>	<b>66,274</b>	<b>200,700</b>	<b>150,000</b>	<b>109,000</b>	<b>259,000</b>	
British Council (Grant in Aid)	134,426	14,274	148,700	150,000	39,000	189,000	
British Council (Loan facility)	–	52,000	52,000	0	70,000	70,000	
<b>Non-Departmental Public Bodies &amp; Scholarships TOTAL</b>	<b>215,499</b>	<b>74,021</b>	<b>289,520</b>	<b>244,737</b>	<b>114,230</b>	<b>358,967</b>	
<b>BBC World Service TOTAL</b>	<b>71,083</b>	<b>15,317</b>	<b>86,400</b>	<b>76,900</b>	<b>8,500</b>	<b>85,400</b>	
<b>Multilateral Subscriptions to International Organisations TOTAL</b>	<b>64,092</b>	<b>125,793</b>	<b>189,885</b>	<b>62,511</b>	<b>57,619</b>	<b>120,130</b>	

	2020-21 Programme Outturn			2021-22 Plans <sup>1,2</sup>			Historic UK Imputed Multilateral Share by benefitting country (Average 2015– 2019) <sup>3,4,5,6</sup>	
	FCDO ODA	FCDO Non- ODA	FCDO (£000's)	FCDO ODA	FCDO Non- ODA	FCDO (£000's)		UK (£000's)
<b>Other Central Programmes TOTAL<sup>22</sup></b>	-52,011	56,319	4,308	44,803	69,303	114,106		
<b>Crisis Reserve TOTAL<sup>23</sup></b>	-	-	-	30,000	-	30,000		
<b>TOTAL<sup>24</sup></b>	<b>11,211,881</b>	<b>667,815</b>	<b>11,879,696</b>	<b>7,565,632</b>	<b>694,910</b>	<b>8,260,542</b>	<b>4,964,865</b>	

1. Please note that the first column of the table sets out the budgets allocated to departments, including departments covering a specific country or region. These figures do not capture the totality of UK ODA that will benefit the country or region in question – for example, there may be some spend by a central department which also benefits that country/region. The Imputed Multilateral Share is estimated in respect of benefitting country. Therefore, the FCDO department allocations do not fully align with the IMS benefitting countries. These columns should not be added together.
2. These budgets reflect allocations post Main Estimates. They do not include budget uplifts anticipated in the Supplementary Estimate 2021-22.
3. The Imputed Multilateral Shares have been included for illustrative purposes, and have been calculated as an average of the last five years of available data. IMS figures for the five most recent available years is included as normal in table B5 in Annex B. It is not possible to forecast how multilaterals will spend future core contributions to their organisation. For more information on how the UK Imputed multilateral shares are calculated please see the explanatory note: [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/967584/Improvement\\_to\\_the\\_UK\\_calculation\\_of\\_Imputed\\_Multilateral\\_Shares.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/967584/Improvement_to_the_UK_calculation_of_Imputed_Multilateral_Shares.pdf)
4. These historical shares are dependent upon multilateral organisations returning disbursement data to the OECD and should be taken as indicative estimates rather than exact amounts of funding. Please note that the budgets presented in this table are for the FCDO, while the coverage of the Imputed Multilateral Share data is UK.
5. Please note that FCDO core contributions to multilaterals in 20/21 are included in the budgets of central departments such as the International Financial Institutions Department, therefore the different columns in the table above should not be summed, as this would result in double counting.
6. Imputed Multilateral Shares are calculated at the benefitting country or regional level as they are calculated from international multilateral data, therefore the majority of rows above will not have an equivalent IMS as they are FCDO department names rather than countries/regions. In these cases the IMS column has been left blank.

7. The following countries /regions were included in the IMS average for “African countries/regions not included elsewhere in the table”: Angola, Benin, Botswana, Cape Verde, Cameroon, Central African Republic, Comoros, Congo, Ivory Coast, Djibouti, Equatorial Guinea, Eritrea, Eswatini, Gabon, Gambia, Guinea, Guinea-Bissau, Lesotho, Madagascar, Mauritius, Namibia, Sao Tome and Principe, Senegal, Seychelles (2015 to 2018), South Africa, Togo, “Africa, regional”, “Eastern Africa, regional”, “South of Sahara, regional” and “Western Africa, regional”.
8. The following countries/regions were included in the IMS average for “Other Americas & SIDS countries and regions”: Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, Panama, Argentina, Bolivia, Chile, Ecuador, Guyana, Paraguay, Peru, Suriname, Uruguay “Caribbean & Central America, regional”, “Central America, regional”, “America, regional” and “South America, regional”.
9. The following countries and regions were included in East European and Central Europe (EECAD): Belarus, Moldova, Armenia, Azerbaijan, Georgia, Kazakhstan, Kyrgyzstan, Tajikistan, Uzbekistan, Ukraine and “Central Asia, regional”.
10. This is a new department created in 2021-22 to align FCDO organisational structure following the merger of Foreign & Commonwealth Office (FCO) & Department for International Development (DFID).
11. The following countries and regions were included in the IMS average for “Other Europe countries/regions”: “Europe, regional”.
12. The FCDO have cut their aid programme spend to China by 95% to £0.9m targeted on specific programmes that promote British values of open societies and human rights. We do not give any money directly to the government. A significant proportion of 2020-21 programme spend in China was on former Prosperity Fund programmes which have been reflected in the Prosperity Fund section of the Annex. The cross-Whitehall Prosperity Fund closed on 31 March 2021 resulting in the remainder of 2021-22 plans (£12.8m) being transferred to the FCDO and represents costs associated with responsible closure of these former programme.
13. The following countries and regions were included in the IMS average for “Other Indo Pacific and Asia Countries/regions”: Bhutan, Maldives, Sri Lanka, “South & Central Asia, regional”, “South Asia, regional”, Cambodia, North Korea, Laos, Malaysia, Mongolia, Philippines, Thailand, Timor-Leste, Vietnam, “Asia, regional” and “Far East Asia, regional”.
14. The following countries and regions were included in the IMS average for “Other North Africa and Middle East countries/regions”: Algeria, Morocco, Tunisia, Iran, “Middle East, regional” and “North Africa, regional”.
15. Overseas Territories include St Helena and Montserrat.
16. UK core contributions to multilaterals that did not report disbursement or commitment data to the OECD DAC. If a multilateral organisation does not report their ODA spend to the OECD, then any UK core contribution to the organisation cannot be allocated to a benefitting country.
17. Inclusive Societies department was renamed to Gender & Equality in 21/22. The majority of programming previously held in this department was moved to Open Societies Directorate.
18. United Nations Commonwealth Department as a department has disbanded in 21/22, programming was split between several Directorates – Multilateral, Sanctions, Strategic Engagement Directorate, Economic Cooperation & Growth and Education, Gender & Equality.
19. CSSF spend by regional, cross regional and non-discretionary theme is reported in the CSSF Annual Report. The CSSF Annual Report 2020-21 will be published on [gov.uk](https://www.gov.uk).
20. The cross-Whitehall Prosperity Fund closed on 31 March 2021 and remaining prosperity programming transferred to the FCDO.
21. 2020-21 Non-ODA figure – the FCDO provided funding of £3,425k to cover lost income as a result of the impact of COVID-19.
22. The 20/21 ODA outturn figure relates to loan reflows and returned funds and the expenditure is offset elsewhere.
23. The Foreign Secretary’s WMS which announced the detail of the UK ODA allocations for FY21/22, included £906m for humanitarian preparedness and response with £30m of this to be held as a central crisis reserve. The Crisis Reserve in 2020-21 of £200 million was fully utilised during the year and therefore is now included in 20/21 departmental outturn figures.
24. The imputed multilateral share total is an average (2015 to 2019) total UK core contributions to multilaterals.
25. Since 21/22 budgets were agreed the UK has doubled its commitment to Afghanistan, the budget in year will increase to £286m.

# Annex B:

## Annual Reporting of Statistical Information

**B.1** The International Development (Reporting and Transparency) Act 2006 requires the Secretary of State for International Development to report to Parliament on an annual basis. The schedule to the Act sets out the statistical reporting that is required. This information is published each autumn for the preceding year in FCDO's publication *Statistics on International Development (SID)*. Provisional figures for 2020 are provided in Table B1.

**B.2** The statistical reporting requirements of the Act are itemised below, with the tables within this Annex showing where the corresponding information can be located. Information is included for the most recent period and each of the four periods before.

**B.3** The UK Aid budget is spent by a number of departments other than FCDO. The *Statistics on International Development*<sup>109</sup> publication sets out detailed information on aid spend by department and summary information on the main aims of each department's aid budget. This data follows Organisation for Economic Co-operation and Development (OECD) Development Assistance Committee (DAC) definitions.<sup>110</sup>

**B.4** Departments with large aid budgets will also include information in their own annual report. Table B.3 gives information on the largest ODA spending department for the most recent period by recipient country

**B.5** Please note that final UK ODA figures for 2020 will be published in "*Statistics on International Development: Final UK Aid Spend 2020 (SID 2020)*" in late September, shortly after this report is published. SID 2020 will publish refreshed Annex B tables (B1 to B4) alongside the usual SID summary tables. These tables will contain finalised 2020 ODA figures and will be the most up to date source to use. Once they are published, they will be found on the SID gov.uk page.

---

<sup>109</sup> For more information on the SID publication, please see the gov.uk page:  
<https://www.gov.uk/guidance/statistics-on-international-development>

<sup>110</sup> For more information on the OECD DAC definition, please see their development finance standards page:  
<https://www.oecd.org/dac/financing-sustainable-development/development-finance-standards/>

**Table B.1: Total UK Net Official Development Assistance (ODA)**

	£ millions				
	2016	2017	2018	2019	2020 <sup>1</sup>
<b>Total Bilateral ODA</b>	<b>8 534</b>	<b>8 796</b>	<b>9 232</b>	<b>10 245</b>	<b>9 492</b>
as a % of GNI	0.45	0.44	0.44	0.47	0.46
<i>of which: Administration costs</i> <sup>2</sup>	470	545	658	760	768
<i>of which: Debt Relief</i>	2	3	4	–	44
<i>of which: Non DFID Department</i> <sup>3</sup>	2	3	4	–	44
<b>Total Multilateral ODA</b>	<b>4 843</b>	<b>5 256</b>	<b>5 313</b>	<b>4 939</b>	<b>4 979</b>
as a % of GNI	0.25	0.26	0.25	0.23	0.24
<i>of which: Total European Commission</i>	1 503	1 354	1 386	1 832	1 498
<i>Total World Bank</i>	1 171	1 365	1 931	962	990
<i>Total UN Agencies</i>	503	480	562	799	572
<i>Total Other Organisations</i> <sup>4</sup>	1 665	2 057	1 435	1 346	1 919
<b>TOTAL ODA</b>	<b>13 377</b>	<b>14 052</b>	<b>14 545</b>	<b>15 184</b>	<b>14 471</b>
<b>as a % of GNI</b>	<b>0.70</b>	<b>0.70</b>	<b>0.70</b>	<b>0.70</b>	<b>0.70</b>

1. 2020 data is provisional. Final 2020 ODA will be published in Statistics on International Development in the autumn 2021.
2. Includes Front Line Delivery Costs. This is in line with OECD DAC Statistical Reporting Directives.
3. Export Credits Guarantee Department (operational name: UN Export Finance).
4. Includes Regional Development Banks and other multilateral agencies on the DAC List of Multilateral Organisations.

**Table B.2: Total UK Net ODA<sup>1</sup> and Humanitarian Assistance by recipient country**

		£,000					Main Spend Dept in 2019 (% Share)
		2015	2,016	2017	2018	2019	
<b>Africa</b>							
<b>Algeria</b>	UK Net Bilateral ODA	2,676	3,252	6,710	6,613	8,327	CSSF 85%, FCO 15%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.03%	0.04%	0.08%	0.07%	0.08%	
<b>Angola</b>	UK Net Bilateral ODA	1,296	391	532	446	1,105	FCO 87%, DEFRA 8%, Other 5%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.02%	0.00%	0.01%	0.00%	0.01%	
<b>Benin</b>	UK Net Bilateral ODA	–	–	318	389	174	BEIS 90%, FCO 10%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.00%	0.00%	
<b>Botswana</b>	UK Net Bilateral ODA	1,056	279	1,072	1,113	1,979	FCO 65%, BEIS 35%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.01%	0.00%	0.01%	0.01%	0.02%	
<b>Burkina Faso</b>	UK Net Bilateral ODA	88	132	1,748	1,825	1,498	BEIS 100%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.02%	0.02%	0.01%	
<b>Burundi</b>	UK Net Bilateral ODA	205	3,189	4,916	4,025	5,017	DFID 94%, FCO 6%
	of which Humanitarian Assistance	–	2,613	4,248	3,690	3,601	
	Percentage of Total Net Bilateral ODA	0.00%	0.04%	0.06%	0.04%	0.05%	

		£,000					Main Spend Dept in 2019 (% Share)
		2015	2,016	2017	2018	2019	
<b>Cameroon</b>	UK Net Bilateral ODA	6,223	1,705	2,062	10,341	11,187	DFID 64%, FCO 17%, Other 19%
	of which Humanitarian Assistance	4,500	–	–	7,750	6,244	
	Percentage of Total Net Bilateral ODA	0.08%	0.02%	0.02%	0.11%	0.11%	
<b>Cabo Verde</b>	UK Net Bilateral ODA	117	77	288	387	248	FCO 46%, DEFRA 28%, Other 26%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.00%	0.00%	
<b>Central African Republic</b>	UK Net Bilateral ODA	18,279	18,914	13,652	14,581	15,111	DFID 100%
	of which Humanitarian Assistance	18,279	18,914	13,422	14,531	15,111	
	Percentage of Total Net Bilateral ODA	0.24%	0.22%	0.16%	0.16%	0.15%	
<b>Chad</b>	UK Net Bilateral ODA	–	–	21	15	1,939	DFID 98%, BEIS 2%
	of which Humanitarian Assistance	–	–	–	–	1,900	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.00%	0.02%	
<b>Comoros</b>	UK Net Bilateral ODA	5	10	29	132	128	DEFRA 100%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.00%	0.00%	
<b>Congo</b>	UK Net Bilateral ODA	–	89	1,852	1,792	5,534	FCO 97%, DEFRA 3%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.02%	0.02%	0.05%	
<b>Cote d'Ivoire</b>	UK Net Bilateral ODA	698	585	383	592	1,189	FCO 73%, DEFRA 19%, Other 8%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.01%	0.01%	0.00%	0.01%	0.01%	

		£,000					Main Spend Dept in 2019 (% Share)
		2015	2,016	2017	2018	2019	
<b>Democratic Republic of the Congo</b>	UK Net Bilateral ODA	142,721	129,546	166,228	203,708	184,562	DFID 98%, FCO 1%, Other 1%
	of which Humanitarian Assistance	35,395	32,869	62,069	105,142	80,355	
	Percentage of Total Net Bilateral ODA	1.86%	1.52%	1.89%	2.21%	1.80%	
<b>Djibouti</b>	UK Net Bilateral ODA	19	–	39	50	608	FCO 100%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.00%	0.01%	
<b>Egypt</b>	UK Net Bilateral ODA	12,125	11,479	23,128	22,510	23,630	CSSF 45%, FCO 38%, Other 17%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.16%	0.13%	0.26%	0.24%	0.23%	
<b>Eritrea</b>	UK Net Bilateral ODA	304	594	629	2,753	4,393	DFID 76%, FCO 24%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.00%	0.01%	0.01%	0.03%	0.04%	
<b>Eswatini</b>	UK Net Bilateral ODA	169	4	304	281	315	FCO 84%, BEIS 15%, Other 1%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.00%	0.00%	
<b>Ethiopia</b>	UK Net Bilateral ODA	338,779	334,320	326,131	301,442	299,528	DFID 96%, FCO 3%, Other 1%
	of which Humanitarian Assistance	78,957	73,194	101,482	89,832	85,886	
	Percentage of Total Net Bilateral ODA	4.42%	3.92%	3.71%	3.27%	2.92%	
<b>Gabon</b>	UK Net Bilateral ODA	–	150	23	15	21	FCO 100%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.00%	0.00%	

		£,000					Main Spend Dept in 2019 (% Share)
		2015	2,016	2017	2018	2019	
<b>Gambia</b>	UK Net Bilateral ODA	9,542	10,804	15,454	16,134	17,281	BEIS 91%, FCO 9%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.12%	0.13%	0.18%	0.17%	0.17%	
<b>Ghana</b>	UK Net Bilateral ODA	60,630	58,147	56,445	37,680	47,080	DFID 78%, FCO 17%, Other 5%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.79%	0.68%	0.64%	0.41%	0.46%	
<b>Guinea</b>	UK Net Bilateral ODA	316	111	431	344	647	FCO 70%, DEFRA 29%, Other 1%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.00%	0.01%	
<b>Guinea-Bissau</b>	UK Net Bilateral ODA	18	22	22	23	68	DEFRA 100%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.00%	0.00%	
<b>Kenya</b>	UK Net Bilateral ODA	155,575	133,813	152,807	116,123	134,334	DFID 77%, FCO 11%, Other 12%
	of which Humanitarian Assistance	24,078	17,396	24,233	8,329	11,783	
	Percentage of Total Net Bilateral ODA	2.03%	1.57%	1.74%	1.26%	1.31%	
<b>Lesotho</b>	UK Net Bilateral ODA	429	5,693	358	259	253	FCO 74%, HMRC 16%, Other 10%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.01%	0.07%	0.00%	0.00%	0.00%	
<b>Liberia</b>	UK Net Bilateral ODA	10,672	1,561	3,131	604	9,334	DFID 86%, FCO 10%, Other 4%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.14%	0.02%	0.04%	0.01%	0.09%	

		£,000					Main Spend Dept in 2019 (% Share)
		2015	2,016	2017	2018	2019	
<b>Libya</b>	UK Net Bilateral ODA	10,434	14,353	14,721	13,162	16,427	CSSF 66%, FCO 28%, Other 6%
	of which Humanitarian Assistance	2,018	1,560	987	585	96	
	Percentage of Total Net Bilateral ODA	0.14%	0.17%	0.17%	0.14%	0.16%	
<b>Madagascar</b>	UK Net Bilateral ODA	1,337	642	2,166	2,364	3,178	DEFRA 66%, FCO 24%, Other 10%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.02%	0.01%	0.02%	0.03%	0.03%	
<b>Malawi</b>	UK Net Bilateral ODA	85,560	102,729	89,561	84,087	81,381	DFID 83%, SG 9%, Other 8%
	of which Humanitarian Assistance	16,587	25,700	9,311	4,632	7,058	
	Percentage of Total Net Bilateral ODA	1.12%	1.20%	1.02%	0.91%	0.79%	
<b>Mali</b>	UK Net Bilateral ODA	1,830	2,510	2,678	6,265	5,197	CSSF 64%, FCO 30%, Other 6%
	of which Humanitarian Assistance	–	–	–	200	–	
	Percentage of Total Net Bilateral ODA	0.02%	0.03%	0.03%	0.07%	0.05%	
<b>Mauritania</b>	UK Net Bilateral ODA	119	–	66	36	13	FCO 100%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.00%	0.00%	
<b>Mauritius</b>	UK Net Bilateral ODA	777	193	316	508	2,005	BEIS 55%, FCO 45%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.01%	0.00%	0.00%	0.01%	0.02%	
<b>Morocco</b>	UK Net Bilateral ODA	3,574	3,154	5,705	5,279	9,658	CSSF 69%, FCO 27%, Other 4%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.05%	0.04%	0.06%	0.06%	0.09%	

		£,000					Main Spend Dept in 2019 (% Share)
		2015	2,016	2017	2018	2019	
<b>Mozambique</b>	UK Net Bilateral ODA	50,483	54,528	57,526	70,895	103,583	DFID 98%, FCO 2%
	of which Humanitarian Assistance	–	18,236	9,554	2,490	36,467	
	Percentage of Total Net Bilateral ODA	0.66%	0.64%	0.65%	0.77%	1.01%	
<b>Namibia</b>	UK Net Bilateral ODA	297	137	631	417	1,125	FCO 85%, BEIS 15%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.01%	0.00%	0.01%	
<b>Niger</b>	UK Net Bilateral ODA	–	–	142	881	993	CSSF 62%, BEIS 26%, Other 12%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.01%	0.01%	
<b>Nigeria</b>	UK Net Bilateral ODA	262,685	319,583	325,178	295,502	256,835	DFID 88%, CSSF 6%, Other 6%
	of which Humanitarian Assistance	5,752	40,648	69,224	89,565	78,277	
	Percentage of Total Net Bilateral ODA	3.43%	3.74%	3.70%	3.20%	2.51%	
<b>Rwanda</b>	UK Net Bilateral ODA	101,293	68,833	59,469	54,746	62,046	DFID 94%, SG 3%, Other 3%
	of which Humanitarian Assistance	6,868	6,771	4,553	48	3,392	
	Percentage of Total Net Bilateral ODA	1.32%	0.81%	0.68%	0.59%	0.61%	
<b>Sao Tome &amp; Principe</b>	UK Net Bilateral ODA	–	58	103	146	55	DEFRA 55%, FCO 45%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.00%	0.00	0.00%	0.00%	0.00%	
<b>Senegal</b>	UK Net Bilateral ODA	1,091	1,620	1,422	784	2,373	FCO 80%, BEIS 20%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.01%	0.00	0.02%	0.01%	0.02%	

		£,000					Main Spend Dept in 2019 (% Share)
		2015	2,016	2017	2018	2019	
<b>Seychelles</b>	UK Net Bilateral ODA	324	122	338	–	–	
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.00%	0.00%	
<b>Sierra Leone</b>	UK Net Bilateral ODA	217,707	153,685	117,947	93,712	76,314	DFID 92%, FCO 6%, Other 2%
	of which Humanitarian Assistance	176,095	32,364	7,680	-1,595	-259	
	Percentage of Total Net Bilateral ODA	2.84%	0.02	1.34%	1.02%	0.74%	
<b>Somalia</b>	UK Net Bilateral ODA	121,828	151,715	282,037	193,766	175,871	DFID 81%, CSSF 11%, Other 8%
	of which Humanitarian Assistance	39,200	53,621	199,613	88,186	62,409	
	Percentage of Total Net Bilateral ODA	1.59%	0.02	3.21%	2.10%	1.72%	
<b>South Africa</b>	UK Net Bilateral ODA	19,095	12,286	19,111	29,458	33,530	BEIS 56%, FCO 35%, Other 9%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.25%	0.00	0.22%	0.32%	0.33%	
<b>South Sudan</b>	UK Net Bilateral ODA	207,993	160,893	168,236	151,313	207,398	DFID 96%, CSSF 2%, Other 2%
	of which Humanitarian Assistance	129,838	92,854	88,977	84,783	77,081	
	Percentage of Total Net Bilateral ODA	2.71%	0.02	1.91%	1.64%	2.02%	
<b>Saint Helena</b>	UK Net Bilateral ODA	53,476	74,970	50,708	41,301	39,205	DFID 83%, CSSF 13%, Other 4%
	of which Humanitarian Assistance	2	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.70%	0.01	0.58%	0.45%	0.38%	
<b>Sudan</b>	UK Net Bilateral ODA	54,601	64,953	62,985	89,447	93,229	DFID 87%, FCO 9%, Other 4%
	of which Humanitarian Assistance	29,338	30,699	35,190	44,916	55,732	
	Percentage of Total Net Bilateral ODA	0.71%	0.01	0.72%	0.97%	0.91%	

		£,000					Main Spend Dept in 2019 (% Share)
		2015	2,016	2017	2018	2019	
<b>Tanzania</b>	UK Net Bilateral ODA	204,846	186,209	166,426	152,043	137,160	DFID 93%, BEIS 4%, Other 3%
	of which Humanitarian Assistance	12,646	13,336	13,355	8,871	15,608	
	Percentage of Total Net Bilateral ODA	2.67%	0.02	1.89%	1.65%	1.34%	
<b>Togo</b>	UK Net Bilateral ODA	34	–	–	–	5	HMRC 100%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.00%	–	0.00%	0.00%	0.00%	
<b>Tunisia</b>	UK Net Bilateral ODA	6,308	9,838	10,372	11,753	16,865	CSSF 73%, FCO 25%, Other 2%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.08%	0.00	0.12%	0.13%	0.16%	
<b>Uganda</b>	UK Net Bilateral ODA	123,348	110,941	140,297	107,413	153,768	DFID 89%, BEIS 8%, Other 3%
	of which Humanitarian Assistance	11,580	19,353	65,312	29,575	43,464	
	Percentage of Total Net Bilateral ODA	1.61%	0.01	1.59%	1.16%	1.50%	
<b>Zambia</b>	UK Net Bilateral ODA	50,493	57,843	53,068	28,281	51,208	DFID 88%, FCO 5%, Other 7%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.66%	0.01	0.60%	0.31%	0.50%	
<b>Zimbabwe</b>	UK Net Bilateral ODA	92,896	99,743	93,573	93,865	99,005	DFID 90%, FCO 8%, Other 2%
	of which Humanitarian Assistance	9,633	22,012	763	–	–	
	Percentage of Total Net Bilateral ODA	1.21%	0.01	1.06%	1.02%	0.97%	
<b>Africa, regional</b>	UK Net Bilateral ODA	225,199	336,870	318,533	425,042	395,466	DFID 78%, FCO 11%, Other 11%
	of which Humanitarian Assistance	5,288	1,300	708	524	1,488	
	Percentage of Total Net Bilateral ODA	2.94%	0.04	3.62%	4.60%	3.86%	

		£,000					Main Spend Dept in 2019 (% Share)
		2015	2,016	2017	2018	2019	
<b>Eastern Africa, regional<sup>5</sup></b>	UK Net Bilateral ODA			–	–	5,190	CSSF 80%, BEIS 14%, Other 6%
	of which Humanitarian Assistance			–	–	–	
	Percentage of Total Net Bilateral ODA			0.00%	0.00%	0.05%	
<b>Middle Africa, regional</b>	UK Net Bilateral ODA			–	11,386	9,670	BBCWS 100%
	of which Humanitarian Assistance			–	–	–	
	Percentage of Total Net Bilateral ODA			0.00%	0.12%	0.09%	
<b>North of Sahara, regional</b>	UK Net Bilateral ODA	62	516	3,662	5,757	10,958	CSSF 99%, BEIS 1%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.00%	0.00	0.04%	0.06%	0.11%	
<b>South of Sahara, regional</b>	UK Net Bilateral ODA	99,438	154,289	168,361	148,213	156,399	DFID 73%, BEIS 26%, Other 1%
	of which Humanitarian Assistance	31,392	41,589	50,291	66,495	65,289	
	Percentage of Total Net Bilateral ODA	1.30%	0.02	1.91%	1.61%	1.53%	
<b>Western Africa, regional<sup>5</sup></b>	UK Net Bilateral ODA			–	–	5,378	CSSF 97%, DEFRA 2%, Other 1%
	of which Humanitarian Assistance			–	–	–	
	Percentage of Total Net Bilateral ODA			0.00%	0.00%	0.05%	
<b>Asia &amp; Middle East</b>							
<b>Afghanistan</b>	UK Net Bilateral ODA	299,928	235,318	226,948	248,699	289,773	DFID 65%, CSSF 22%, Other 13%
	of which Humanitarian Assistance	24,139	40,987	35,536	53,658	69,690	
	Percentage of Total Net Bilateral ODA	3.91%	0.03	2.58%	2.69%	2.83%	

		£,000					Main Spend Dept in 2019 (% Share)
		2015	2,016	2017	2018	2019	
<b>Armenia</b>	UK Net Bilateral ODA	1,188	438	980	862	2,675	FCO 70%, CSSF 27%, Other 3%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.02%	0.00	0.01%	0.01%	0.03%	
<b>Azerbaijan</b>	UK Net Bilateral ODA	2,445	1,008	1,571	776	2,953	FCO 97%, CSSF 3%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.03%	0.00	0.02%	0.01%	0.03%	
<b>Bangladesh</b>	UK Net Bilateral ODA	163,697	148,540	175,830	189,904	256,296	DFID 95%, FCO 4%, Other 1%
	of which Humanitarian Assistance	9,809	6,836	48,954	79,932	124,930	
	Percentage of Total Net Bilateral ODA	2.14%	0.02	2.00%	2.06%	2.50%	
<b>Bhutan</b>	UK Net Bilateral ODA	76	62	355	255	392	BEIS 61%, FCO 28%, Other 11%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.00%	0.00	0.00%	0.00%	0.00%	
<b>Cambodia</b>	UK Net Bilateral ODA	2,780	2,045	3,985	4,156	2,755	FCO 58%, BEIS 24%, Other 18%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.04%	0.00	0.05%	0.05%	0.03%	
<b>China (People's Republic of)</b>	UK Net Bilateral ODA	44,641	46,902	43,911	55,649	68,380	BEIS 48%, FCO 41%, Other 11%
	of which Humanitarian Assistance	10	150	–	–	–	
	Percentage of Total Net Bilateral ODA	0.58%	0.01	0.50%	0.60%	0.67%	
<b>Georgia</b>	UK Net Bilateral ODA	2,854	762	835	1,277	4,566	FCO 62%, CSSF 33%, Other 5%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.04%	0.00	0.01%	0.01%	0.04%	

		£,000					Main Spend Dept in 2019 (% Share)
		2015	2,016	2017	2018	2019	
<b>India</b>	UK Net Bilateral ODA	185,580	92,620	90,138	94,677	107,770	BEIS 38%, FCO 28%, Other 34%
	of which Humanitarian Assistance	–	–	138	–	59	
	Percentage of Total Net Bilateral ODA	2.42%	0.01	1.02%	1.03%	1.05%	
<b>Indonesia</b>	UK Net Bilateral ODA	19,864	17,449	25,434	29,932	33,496	DFID 39%, BEIS 30%, Other 31%
	of which Humanitarian Assistance	–	–	–	3,879	812	
	Percentage of Total Net Bilateral ODA	0.26%	0.00	0.29%	0.32%	0.33%	
<b>Iran</b>	UK Net Bilateral ODA	993	792	1,621	1,405	1,566	FCO 100%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.01%	0.00	0.02%	0.02%	0.02%	
<b>Iraq</b>	UK Net Bilateral ODA	55,437	118,881	82,837	73,945	77,307	DFID 50%, CSSF 30%, Other 20%
	of which Humanitarian Assistance	45,232	87,209	47,958	28,535	28,287	
	Percentage of Total Net Bilateral ODA	0.72%	0.01	0.94%	0.80%	0.75%	
<b>Jordan</b>	UK Net Bilateral ODA	57,449	174,853	60,979	138,147	131,206	DFID 72%, CSSF 16%, Other 12%
	of which Humanitarian Assistance	32,766	34,240	3,683	9,698	34,347	
	Percentage of Total Net Bilateral ODA	0.75%	0.02	0.69%	1.50%	1.28%	
<b>Kazakhstan</b>	UK Net Bilateral ODA	5,425	3,485	1,184	1,822	2,803	FCO 95%, BEIS 5%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.07%	0.00	0.01%	0.02%	0.03%	
<b>Korea (Democratic People's Republic of)</b>	UK Net Bilateral ODA	740	216	40	199	304	FCO 100%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.01%	0.00	0.00%	0.00%	0.00%	

		£,000					Main Spend Dept in 2019 (% Share)
		2015	2,016	2017	2018	2019	
<b>Kyrgyz Republic</b>	UK Net Bilateral ODA	2,705	1,010	3,556	4,051	5,322	DFID 77%, FCO 19%, Other 4%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.04%	0.00	0.04%	0.04%	0.05%	
<b>Lao People's Democratic Republic</b>	UK Net Bilateral ODA	2,338	997	654	584	1,138	FCO 84%, DEFRA 16%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.03%	0.00	0.01%	0.01%	0.01%	
<b>Lebanon</b>	UK Net Bilateral ODA	99,533	124,037	115,183	96,479	148,716	DFID 82%, CSSF 13%, Other 5%
	of which Humanitarian Assistance	68,350	66,107	42,207	36,732	54,500	
	Percentage of Total Net Bilateral ODA	1.30%	0.01	1.31%	1.05%	1.45%	
<b>Malaysia</b>	UK Net Bilateral ODA	5,604	4,263	13,121	9,511	11,348	BEIS 56%, FCO 41%, Other 3%
	of which Humanitarian Assistance	–	15	–	–	–	
	Percentage of Total Net Bilateral ODA	0.07%	0.00	0.15%	0.10%	0.11%	
<b>Maldives</b>	UK Net Bilateral ODA	184	137	229	284	635	CSSF 68%, FCO 29%, Other 3%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.00%	0.00	0.00%	0.00%	0.01%	
<b>Mongolia</b>	UK Net Bilateral ODA	633	363	449	1,290	1,773	FCO 59%, BEIS 28%, Other 13%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.01%	0.00%	0.01%	0.01%	0.02%	
<b>Myanmar</b>	UK Net Bilateral ODA	113,895	106,922	120,910	100,262	113,030	DFID 90%, FCO 5%, Other 5%
	of which Humanitarian Assistance	12,749	19,451	18,064	17,724	32,224	
	Percentage of Total Net Bilateral ODA	1.49%	0.01	1.37%	1.09%	1.10%	

		£,000					Main Spend Dept in 2019 (% Share)
		2015	2,016	2017	2018	2019	
<b>Nepal</b>	UK Net Bilateral ODA	88,210	103,030	100,283	95,507	90,053	DFID 90%, BEIS 4%, Other 6%
	of which Humanitarian Assistance	35,902	13,189	12,374	11,676	15,527	
	Percentage of Total Net Bilateral ODA	1.15%	1.21%	1.14%	1.03%	0.88%	
<b>Pakistan</b>	UK Net Bilateral ODA	373,783	462,648	402,497	330,961	304,986	DFID 85%, CSSF 8%, Other 7%
	of which Humanitarian Assistance	15,590	12,513	7,255	15,772	4,705	
	Percentage of Total Net Bilateral ODA	4.88%	5.42%	4.58%	3.58%	2.98%	
<b>Philippines</b>	UK Net Bilateral ODA	9,117	5,666	7,493	10,150	13,638	BEIS 45%, FCO 43%, Other 12%
	of which Humanitarian Assistance	2,753	40	–	–	246	
	Percentage of Total Net Bilateral ODA	0.12%	0.07%	0.09%	0.11%	0.13%	
<b>Sri Lanka</b>	UK Net Bilateral ODA	24,613	5,492	5,683	8,444	8,897	FCO 45%, CSSF 42%, Other 13%
	of which Humanitarian Assistance	0.42	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.32%	0.06%	0.06%	0.09%	0.09%	
<b>Syrian Arab Republic</b>	UK Net Bilateral ODA	257,708	351,796	313,828	230,843	222,943	DFID 97%, CSSF 2%, Other 1%
	of which Humanitarian Assistance	201,596	220,959	140,145	160,001	194,462	
	Percentage of Total Net Bilateral ODA	3.36%	4.12%	3.57%	2.50%	2.18%	
<b>Tajikistan</b>	UK Net Bilateral ODA	12,064	4,393	2,293	5,127	2,677	DFID 57%, FCO 39%, Other 4%
	of which Humanitarian Assistance	95	10	–	–	–	
	Percentage of Total Net Bilateral ODA	0.16%	0.05%	0.03%	0.06%	0.03%	
<b>Thailand</b>	UK Net Bilateral ODA	3,764	6,709	7,209	8,908	13,903	BEIS 62%, FCO 37%, Other 1%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.05%	0.08%	0.08%	0.10%	0.14%	

		£,000					Main Spend Dept in 2019 (% Share)
		2015	2,016	2017	2018	2019	
<b>Timor-Leste</b>	UK Net Bilateral ODA	67	18	230	311	282	DEFRA 61%, FCO 39%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.00%	0.00%	
<b>Turkmenistan</b>	UK Net Bilateral ODA	459	84	224	281	608	FCO 100%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.01%	0.00%	0.00%	0.00%	0.01%	
<b>Uzbekistan<sup>2</sup></b>	UK Net Bilateral ODA	1,505	982	2,230	2,243	4,945	FCO 67%, CSSF 33%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.02%	0.01%	0.03%	0.02%	0.05%	
<b>Vietnam</b>	UK Net Bilateral ODA	12,322	9,166	6,786	10,458	11,749	BEIS 50%, FCO 41%, Other 9%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.16%	0.11%	0.08%	0.11%	0.11%	
<b>West Bank &amp; Gaza Strip</b>	UK Net Bilateral ODA	51,428	22,729	61,367	49,400	80,726	DFID 80%, FCO 8%, Other 12%
	of which Humanitarian Assistance	912	985	2,400	8,755	16,245	
	Percentage of Total Net Bilateral ODA	0.67%	0.27%	0.70%	0.54%	0.79%	
<b>Yemen</b>	UK Net Bilateral ODA	82,050	126,850	204,923	166,368	260,424	DFID 96%, CSSF 3%, Other 1%
	of which Humanitarian Assistance	74,649	113,632	189,254	147,751	219,246	
	Percentage of Total Net Bilateral ODA	1.07%	1.49%	2.33%	1.80%	2.54%	
<b>Asia, Regional</b>	UK Net Bilateral ODA	64,516	68,682	108,273	134,380	127,487	DFID 53%, BEIS 17%, Other 30%
	of which Humanitarian Assistance	–	1	1,034	53	248	
	Percentage of Total Net Bilateral ODA	0.84%	0.80%	1.23%	1.46%	1.24%	

		£,000					Main Spend Dept in 2019 (% Share)
		2015	2,016	2017	2018	2019	
<b>Central Asia, regional</b>	UK Net Bilateral ODA	–	–	5,186	3,280	4,871	CSSF 56%, FCO 44%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.06%	0.04%	0.05%	
<b>Far East Asia, regional</b>	UK Net Bilateral ODA	–	–	405	19	2,987	BEIS 92%, DEFRA 8%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.00%	0.03%	
<b>Middle East, Regional</b>	UK Net Bilateral ODA	20,472	36,644	64,542	56,030	38,894	FCO 44%, DFID 23%, Other 33%
	of which Humanitarian Assistance	7,981	4,745	2,633	1,321	816	
	Percentage of Total Net Bilateral ODA	0.27%	0.43%	0.73%	0.61%	0.38%	
<b>South &amp; Central Asia, regional</b>	UK Net Bilateral ODA	–	–	63,535	63,402	891	BEIS 100%
	of which Humanitarian Assistance	–	–	–	–	104	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.72%	0.69%	0.01%	
<b>South Asia, regional</b>	UK Net Bilateral ODA	8,192	58,131	2,454	4,685	13,481	PF 48%, CSSF 24%, Other 28%
	of which Humanitarian Assistance	–	66	100	–	–	
	Percentage of Total Net Bilateral ODA	0.11%	0.68%	0.03%	0.05%	0.13%	
<b>Rest of the World</b>							
<b>Albania</b>	UK Net Bilateral ODA	659	368	745	1,126	2,759	FCO 69%, CSSF 31%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.01%	0.00%	0.01%	0.01%	0.03%	

		£,000					Main Spend Dept in 2019 (% Share)
		2015	2,016	2017	2018	2019	
<b>Antigua and Barbuda</b>	UK Net Bilateral ODA	3	1	7	96	253	DEFRA 51%, FCO 49%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.00%	0.00%	
<b>Argentina</b>	UK Net Bilateral ODA	1,577	1,008	2,654	2,374	4,414	FCO 77%, BEIS 23%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.02%	0.01%	0.03%	0.03%	0.04%	
<b>Belarus</b>	UK Net Bilateral ODA	878	393	707	1,233	1,996	FCO 87%, CSSF 13%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.01%	0.00%	0.01%	0.01%	0.02%	
<b>Belize</b>	UK Net Bilateral ODA	1,145	423	700	773	1,694	FCO 81%, CSSF 9%, Other 10%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.01%	0.00%	0.01%	0.01%	0.02%	
<b>Bolivia</b>	UK Net Bilateral ODA	826	220	465	573	1,573	FCO 75%, DEFRA 25%
	of which Humanitarian Assistance	–	3	–	–	–	
	Percentage of Total Net Bilateral ODA	0.01%	0.00%	0.01%	0.01%	0.02%	
<b>Bosnia and Herzegovina</b>	UK Net Bilateral ODA	4,432	3,626	3,582	2,529	6,640	FCO 53%, CSSF 46%, Other 1%
	of which Humanitarian Assistance	990	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.06%	0.04%	0.04%	0.03%	0.06%	
<b>Brazil</b>	UK Net Bilateral ODA	20,886	53,674	21,725	24,957	34,342	BEIS 64%, FCO 25%, Other 11%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.27%	0.63%	0.25%	0.27%	0.34%	

		£,000					Main Spend Dept in 2019 (% Share)
		2015	2,016	2017	2018	2019	
<b>Chile</b>	UK Net Bilateral ODA	4,653	6,724	2,199	–	–	
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.06%	0.08%	0.02%	0.00%	0.00%	
<b>Colombia</b>	UK Net Bilateral ODA	40,310	24,883	24,106	35,190	49,701	CSSF 29%, BEIS 25%, Other 46%
	of which Humanitarian Assistance	–	–	–	100	8,245	
	Percentage of Total Net Bilateral ODA	0.53%	0.29%	0.27%	0.38%	0.49%	
<b>Costa Rica</b>	UK Net Bilateral ODA	1,100	803	636	645	1,179	FCO 91%, BEIS 9%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.01%	0.01%	0.01%	0.01%	0.01%	
<b>Cuba</b>	UK Net Bilateral ODA	1,329	2,688	4,351	4,650	2,090	FCO 100%, HMRC <1%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.02%	0.03%	0.05%	0.05%	0.02%	
<b>Dominica</b>	UK Net Bilateral ODA	492	44	79	395	1,060	DFID 96%, FCO 2%, Other 2%
	of which Humanitarian Assistance	492	17	–	–	85	
	Percentage of Total Net Bilateral ODA	0.01%	0.00%	0.00%	0.00%	0.01%	
<b>Dominican Republic</b>	UK Net Bilateral ODA	1,461	7	283	447	526	FCO 100%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.02%	0.00%	0.00%	0.00%	0.01%	
<b>Ecuador</b>	UK Net Bilateral ODA	315	92	290	407	1,068	FCO 50%, BEIS 50%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.00%	0.01%	

		£,000					Main Spend Dept in 2019 (% Share)
		2015	2,016	2017	2018	2019	
<b>El Salvador</b>	UK Net Bilateral ODA	476	36	253	333	868	FCO 100%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.01%	0.00%	0.00%	0.00%	0.01%	
<b>Fiji</b>	UK Net Bilateral ODA	1,262	194	1,103	251	3,431	BEIS 50%, FCO 40%, Other 10%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.02%	0.00%	0.01%	0.00%	0.03%	
<b>Grenada</b>	UK Net Bilateral ODA	48	0	82	179	118	BEIS 100%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.00%	0.00%	
<b>Guatemala</b>	UK Net Bilateral ODA	1,068	1,100	963	2,251	1,224	FCO 70%, BEIS 28%, Other 2%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.01%	0.01%	0.01%	0.02%	0.01%	
<b>Guyana</b>	UK Net Bilateral ODA	2,229	658	1,375	1,122	2,009	FCO 53%, BEIS 27%, Other 20%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.03%	0.01%	0.02%	0.01%	0.02%	
<b>Haiti</b>	UK Net Bilateral ODA	3,850	5,996	4,871	190	439	FCO 92%, BEIS 8%
	of which Humanitarian Assistance	2,731	4,873	4,610	32	–	
	Percentage of Total Net Bilateral ODA	0.05%	0.07%	0.06%	0.00%	0.00%	
<b>Honduras</b>	UK Net Bilateral ODA	184	176	474	379	328	FCO 65%, DEFRA 20%, Other 15%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.01%	0.00%	0.00%	

		£,000					Main Spend Dept in 2019 (% Share)
		2015	2,016	2017	2018	2019	
<b>Jamaica</b>	UK Net Bilateral ODA	7,709	6,460	7,834	8,044	9,756	FCO 43%, DFID 40%, Other 17%
	of which Humanitarian Assistance	8	–	–	–	12	
	Percentage of Total Net Bilateral ODA	0.10%	0.08%	0.09%	0.09%	0.10%	
<b>Kiribati</b>	UK Net Bilateral ODA	12	12	18	9	31	FCO 71%, Colonial Pensions 29%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.00%	0.00%	
<b>Kosovo</b>	UK Net Bilateral ODA	4,686	3,500	3,251	3,130	6,650	CSSF 55%, FCO 45%
	of which Humanitarian Assistance	314	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.06%	0.04%	0.04%	0.03%	0.06%	
<b>Marshall Islands</b>	UK Net Bilateral ODA	–	–	239	57	83	BEIS 100%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.00%	0.00%	
<b>Mexico</b>	UK Net Bilateral ODA	12,927	11,465	13,288	16,610	24,458	FCO 44%, PF 28%, Other 28%
	of which Humanitarian Assistance	–	4	–	–	–	
	Percentage of Total Net Bilateral ODA	0.17%	0.13%	0.15%	0.18%	0.24%	
<b>Micronesia</b>	UK Net Bilateral ODA	–	–	5	70	141	DEFRA 100%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.00%	0.00%	
<b>Moldova</b>	UK Net Bilateral ODA	1,292	210	216	228	846	FCO 68%, CSSF 32%
	of which Humanitarian Assistance	9	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.02%	0.00%	0.00%	0.00%	0.01%	

		£,000					Main Spend Dept in 2019 (% Share)
		2015	2,016	2017	2018	2019	
<b>Montenegro</b>	UK Net Bilateral ODA	1,011	583	1,037	1,011	3,810	FCO 82%, CSSF 18%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.01%	0.01%	0.01%	0.01%	0.04%	
<b>Montserrat</b>	UK Net Bilateral ODA	33,108	28,534	27,486	26,144	24,847	DFID 93%, CSSF 4%, Other 3%
	of which Humanitarian Assistance	–	–	92	196	–	
	Percentage of Total Net Bilateral ODA	0.43%	0.33%	0.31%	0.28%	0.24%	
<b>Nauru</b>	UK Net Bilateral ODA	–	–	–	–	–	
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.00%	0.00%	
<b>Nicaragua</b>	UK Net Bilateral ODA	160	16	261	366	329	FCO 53%, DEFRA 47%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.00%	0.00%	
<b>North Macedonia</b>	UK Net Bilateral ODA	2,144	1,839	1,957	2,969	4,168	CSSF 54%, FCO 45%, Other 1%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.03%	0.02%	0.02%	0.03%	0.04%	
<b>Palau</b>	UK Net Bilateral ODA	–	–	–	–	–	
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.00%	0.00%	
<b>Panama</b>	UK Net Bilateral ODA	1,871	857	1,052	881	1,698	FCO 97%, BEIS 3%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.02%	0.01%	0.01%	0.01%	0.02%	

		£,000					Main Spend Dept in 2019 (% Share)
		2015	2,016	2017	2018	2019	
<b>Papua New Guinea</b>	UK Net Bilateral ODA	947	785	614	1,276	1,443	FCO 59%, BEIS 39%, Other 2%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.01%	0.01%	0.01%	0.01%	0.01%	
<b>Paraguay</b>	UK Net Bilateral ODA	488	121	303	806	582	FCO 83%, DEFRA 17%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.01%	0.00%	0.00%	0.01%	0.01%	
<b>Peru</b>	UK Net Bilateral ODA	2,158	2,989	3,520	6,184	10,204	BEIS 52%, FCO 39%, Other 9%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.03%	0.04%	0.04%	0.07%	0.10%	
<b>Samoa</b>	UK Net Bilateral ODA	–	–	166	59	1,870	FCO 100%, Defra <1%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.00%	0.02%	
<b>Serbia</b>	UK Net Bilateral ODA	3,813	2,081	2,390	3,890	3,412	FCO 99%, CSSF 1%
	of which Humanitarian Assistance	990	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.05%	0.02%	0.03%	0.04%	0.03%	
<b>Solomon Islands</b>	UK Net Bilateral ODA	517	112	251	896	796	FCO 95%, Colonial Pensions 5%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.01%	0.00%	0.00%	0.01%	0.01%	
<b>Saint Lucia</b>	UK Net Bilateral ODA	175	43	120	78	563	FCO 100%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.00%	0.01%	

		£,000					Main Spend Dept in 2019 (% Share)
		2015	2,016	2017	2018	2019	
<b>Saint Vincent &amp; Grenadines</b>	UK Net Bilateral ODA	110	0	163	64	84	FCO 100%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.00%	0.00%	
<b>States Ex-Yugoslavia unspecified</b>	UK Net Bilateral ODA	–	–	210	–	-2,349	FCO 100%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.00%	-0.02%	
<b>Suriname</b>	UK Net Bilateral ODA	32	–	22	39	64	FCO 100%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.00%	0.00%	
<b>Tonga</b>	UK Net Bilateral ODA	1	–	22	59	72	FCO 100%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.00%	0.00%	
<b>Turkey</b>	UK Net Bilateral ODA	6,290	95,513	137,907	72,447	56,146	DFID 78%, FCO 10%, Other 12%
	of which Humanitarian Assistance	1,290	4,031	36,675	17,912	3,516	
	Percentage of Total Net Bilateral ODA	0.08%	1.12%	1.57%	0.78%	0.55%	
<b>Tuvalu</b>	UK Net Bilateral ODA	26	–	–	44	48	FCO 100%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.00%	0.00%	
<b>Ukraine</b>	UK Net Bilateral ODA	28,640	31,615	15,943	28,167	28,637	CSSF 44%, FCO 32%, Other 24%
	of which Humanitarian Assistance	11,246	7,809	1,801	12,394	5,797	
	Percentage of Total Net Bilateral ODA	0.37%	0.37%	0.18%	0.31%	0.28%	

		£,000					Main Spend Dept in 2019 (% Share)
		2015	2,016	2017	2018	2019	
<b>Uruguay</b>	UK Net Bilateral ODA	1,523	694	303	–	–	
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.02%	0.01%	0.00%	0.00%	0.00%	
<b>Vanuatu</b>	UK Net Bilateral ODA	2,451	960	58	7	1,449	FCO 100%, Colonial Pensions <1%
	of which Humanitarian Assistance	2,403	860	–	–	–	
	Percentage of Total Net Bilateral ODA	0.03%	0.01%	0.00%	0.00%	0.01%	
<b>Venezuela</b>	UK Net Bilateral ODA	1,408	1,004	1,364	1,300	8,732	DFID 72%, FCO 25%, Other 3%
	of which Humanitarian Assistance	–	–	–	–	6,300	
	Percentage of Total Net Bilateral ODA	0.02%	0.01%	0.02%	0.01%	0.09%	
<b>America, Regional</b>	UK Net Bilateral ODA	2,312	5,541	4,710	10,709	6,670	DEFRA 76%, BEIS 23%, Other 1%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.03%	0.06%	0.05%	0.12%	0.07%	
<b>Caribbean &amp; Central America, regional<sup>3</sup></b>	UK Net Bilateral ODA					4,359	DFID 79%, FCO 21%
	of which Humanitarian Assistance					3,439	
	Percentage of Total Net Bilateral ODA					0.04%	
<b>Caribbean, regional<sup>4</sup></b>	UK Net Bilateral ODA					28,084	DFID 91%, CSSF 9%
	of which Humanitarian Assistance					212	
	Percentage of Total Net Bilateral ODA					0.27%	
<b>Central America, regional<sup>5</sup></b>	UK Net Bilateral ODA					2,835	FCO 96%, BEIS 4%
	of which Humanitarian Assistance					–	
	Percentage of Total Net Bilateral ODA					0.03%	

		£,000					Main Spend Dept in 2019 (% Share)
		2015	2,016	2017	2018	2019	
<b>Europe, Regional</b>	UK Net Bilateral ODA	1,208	16,574	54,778	77,821	74,880	CSSF 97%, FCO 2%, Other 1%
	of which Humanitarian Assistance	–	–	–	–	5,878	
	Percentage of Total Net Bilateral ODA	0.02%	0.19%	0.62%	0.84%	0.73%	
<b>Melanesia, regional<sup>5</sup></b>	UK Net Bilateral ODA					1,078	BEIS 100%
	of which Humanitarian Assistance					–	
	Percentage of Total Net Bilateral ODA					0.01%	
<b>North &amp; Central America, Regional<sup>3</sup></b>	UK Net Bilateral ODA	4,376	24,573	15,473	24,698	–	
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.06%	0.29%	0.18%	0.27%	0.00%	
<b>Oceania, Regional</b>	UK Net Bilateral ODA	3,073	3,688	3,387	8,299	5,838	DFID 62%, CSSF 29%, Other 9%
	of which Humanitarian Assistance	–	–	–	45	–	
	Percentage of Total Net Bilateral ODA	0.04%	0.04%	0.04%	0.09%	0.06%	
<b>South America, regional</b>	UK Net Bilateral ODA	–	–	112,042	73,720	17,958	BEIS 59%, FCO 19%, Other 22%
	of which Humanitarian Assistance	–	–	–	–	–	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	1.27%	0.80%	0.18%	
<b>West Indies, Regional<sup>4</sup></b>	UK Net Bilateral ODA	7,772	61,366	0	0	0	
	of which Humanitarian Assistance	–	–	0	0	0	
	Percentage of Total Net Bilateral ODA	0.10%	0.72%	0.00%	0.00%	0.00%	
<b>Total Africa</b>	UK Net Bilateral ODA	2,759,072	2,858,083	2,994,049	2,861,998	2,986,974	DFID 82%, FCO 7%, Other 11%
	Percentage of Total Net Bilateral ODA	36.01%	33.49%	34.04%	31.00%	29.16%	
	Percentage of Gross National Income	0.16%	0.15%	0.15%	0.14%	0.14%	

		£,000					Main Spend Dept in 2019 (% Share)
		2015	2,016	2017	2018	2019	
<b>Total Asia</b>	UK Net Bilateral ODA	2,084,432	2,344,122	2,330,189	2,234,962	2,468,644	DFID 72%, FCO 11%, Other 17%
	Percentage of Total Net Bilateral ODA	27.20%	27.47%	26.49%	24.21%	24.10%	
	Percentage of Gross National Income	0.12%	0.12%	0.12%	0.11%	0.11%	
<b>Rest of the World</b>	UK Net Bilateral ODA	222,537	404,249	574,098	560,662	447,981	DFID 28%, CSSF 27%, Other 45%
	Percentage of Total Net Bilateral ODA	2.90%	4.74%	6.53%	6.07%	4.37%	
	Percentage of Gross National Income	0.01%	0.02%	0.03%	0.03%	0.02%	
<b>Unspecified Region</b>	UK Net Bilateral ODA	2,596,162	2,927,705	2,897,786	3,574,231	4,341,216	DFID 63%, Home Office 10%, Other 27%
	Percentage of Total Net Bilateral ODA	33.88%	34.31%	32.94%	38.72%	42.37%	
	Percentage of Gross National Income	0.15%	0.15%	0.14%	0.17%	0.20%	
<b>Total UK Net Bilateral ODA</b>	UK Net Bilateral ODA	7,662,203	8,534,159	8,796,122	9,231,854	10,244,814	DFID 69%, BEIS 8%, Other 23%
	Percentage of Total Net Bilateral ODA	100.00%	100.00%	100.00%	100.00%	100.00%	
	Percentage of Gross National Income	0.44%	0.45%	0.44%	0.44%	0.47%	
<b>Low Income Countries</b>	UK Net Bilateral ODA	2,766,410	2,591,475	2,825,793	2,484,166	2,811,630	DFID 88%, FCO 5%, Other 7%
	Percentage of Total Net Bilateral ODA	36.10%	30.37%	32.13%	26.91%	27.44%	
	Percentage of Gross National Income	0.16%	0.14%	0.14%	0.12%	0.13%	
<b>Total UK Net Multilateral ODA</b>	UK Net Multilateral ODA	4,473,393	4,842,973	5,256,167	5,312,977	4,938,817	
	Percentage of Gross National Income	0.26%	0.25%	0.26%	0.25%	0.23%	

1. ODA can be negative due to returns from ODA eligible investments or from projects and programmes.
2. Uzbekistan percentage share calculation is based on gross ODA.
3. The DAC renamed the region category "North & Central America, regional" to "Caribbean & Central America, regional" for ODA 2019 reporting.
4. The DAC replaced 'West Indies, regional' with the new category "Caribbean, regional".
5. The DAC introduced new recipient codes for 2019 ODA reporting in order to improve granularity of geography regional programmes.

**Table B.3: Largest spending department of UK net ODA by recipient country**

DFID is the majority spending department in the following countries:

	£000		Percentage of Total ODA by dept.
	DFID Net ODA Spend in 2019	Total UK Net ODA Spend in 2019	
Afghanistan	189,654	289,773	DFID 65%, CSSF 22%, Other 13%
Africa, regional	308,976	395,466	DFID 78%, FCO 11%, Other 11%
Asia, regional	67,598	127,487	DFID 53%, BEIS 17%, Other 30%
Bangladesh	242,232	256,296	DFID 95%, FCO 4%, Other 1%
Burundi	4,701	5,017	DFID 94%, FCO 6%
Cameroon	7,198	11,187	DFID 64%, FCO 17%, Other 19%
Caribbean & Central America, regional	3,439	4,359	DFID 79%, FCO 21%
Caribbean, regional	25,428	28,084	DFID 91%, CSSF 9%
Central African Republic	15,111	15,111	DFID 100%
Chad	1,900	1,939	DFID 98%, BEIS 2%
Democratic Republic of the Congo	180,904	184,562	DFID 98%, FCO 1%, Other 1%
Developing countries, unspecified	2,714,145	4,341,216	DFID 63%, Home Office 10%, Other 27%
Dominica	1,020	1,060	DFID 96%, FCO 2%, Other 2%
Eritrea	3,321	4,393	DFID 76%, FCO 24%
Ethiopia	287,470	299,528	DFID 96%, FCO 3%, Other 1%
Ghana	36,571	47,080	DFID 78%, FCO 17%, Other 5%
Indonesia	13,147	33,496	DFID 39%, BEIS 30%, Other 31%
Iraq	38,455	77,307	DFID 50%, CSSF 30%, Other 20%
Jordan	94,525	131,206	DFID 72%, CSSF 16%, Other 12%
Kenya	103,438	134,334	DFID 77%, FCO 11%, Other 12%
Kyrgyz Republic	4,083	5,322	DFID 77%, FCO 19%, Other 4%
Lebanon	121,787	148,716	DFID 82%, CSSF 13%, Other 5%
Liberia	8,011	9,334	DFID 86%, FCO 10%, Other 4%
Malawi	67,623	81,381	DFID 83%, SG 9%, Other 8%
Montserrat	23,098	24,847	DFID 93%, CSSF 4%, Other 3%
Mozambique	101,497	103,583	DFID 98%, FCO 2%
Myanmar	101,788	113,030	DFID 90%, FCO 5%, Other 5%

	£000		Percentage of Total ODA by dept.
	DFID Net ODA Spend in 2019	Total UK Net ODA Spend in 2019	
Nepal	81,011	90,053	DFID 90%, BEIS 4%, Other 6%
Nigeria	226,466	256,835	DFID 88%, CSSF 6%, Other 6%
Oceania, regional	3,600	5,838	DFID 62%, CSSF 29%, Other 9%
Pakistan	259,770	304,986	DFID 85%, CSSF 8%, Other 7%
Rwanda	58,053	62,046	DFID 94%, SG 3%, Other 3%
Sierra Leone	70,233	76,314	DFID 92%, FCO 6%, Other 2%
Somalia	142,620	175,871	DFID 81%, CSSF 11%, Other 8%
South of Sahara, regional	114,484	156,399	DFID 73%, BEIS 26%, Other 1%
South Sudan	198,494	207,398	DFID 96%, CSSF 2%, Other 2%
St. Helena	32,531	39,205	DFID 83%, CSSF 13%, Other 4%
Sudan	81,336	93,229	DFID 87%, FCO 9%, Other 4%
Syrian Arab Republic	215,522	222,943	DFID 97%, CSSF 2%, Other 1%
Tajikistan	1,537	2,677	DFID 57%, FCO 39%, Other 4%
Tanzania	127,547	137,160	DFID 93%, BEIS 4%, Other 3%
Turkey	44,032	56,146	DFID 78%, FCO 10%, Other 12%
Uganda	136,086	153,768	DFID 89%, BEIS 8%, Other 3%
Venezuela	6,300	8,732	DFID 72%, FCO 25%, Other 3%
West Bank & Gaza Strip	64,180	80,726	DFID 80%, FCO 8%, Other 12%
Yemen	250,546	260,424	DFID 96%, CSSF 3%, Other 1%
Zambia	45,270	51,208	DFID 88%, FCO 5%, Other 7%
Zimbabwe	89,201	99,005	DFID 90%, FCO 8%, Other 2%

The Foreign and Commonwealth Office is the majority spending department in the following countries:

	£000		Percentage of Total ODA by dept.
	FCO Net ODA Spend in 2019	Total UK Net ODA Spend in 2019	
Albania	1,897	2,759	FCO 69%, CSSF 31%
Angola	961	1,105	FCO 87%, DEFRA 8%, Other 5%
Argentina	3,397	4,414	FCO 77%, BEIS 23%

	£000		Percentage of Total ODA by dept.
	FCO Net ODA Spend in 2019	Total UK Net ODA Spend in 2019	
Armenia	1,870	2,675	FCO 70%, CSSF 27%, Other 3%
Azerbaijan	2,857	2,953	FCO 97%, CSSF 3%
Belarus	1,729	1,996	FCO 87%, CSSF 13%
Belize	1,364	1,694	FCO 81%, CSSF 9%, Other 10%
Bolivia	1,175	1,573	FCO 75%, DEFRA 25%
Bosnia and Herzegovina	3,517	6,640	FCO 53%, CSSF 46%, Other 1%
Botswana	1,281	1,979	FCO 65%, BEIS 35%
Cambodia	1,612	2,755	FCO 58%, BEIS 24%, Other 18%
Cape Verde	114	248	FCO 46%, DEFRA 28%, Other 26%
Central America, regional	2,733	2,835	FCO 96%, BEIS 4%
Congo	5,365	5,534	FCO 97%, DEFRA 3%
Costa Rica	1,068	1,179	FCO 91%, BEIS 9%
Cote d'Ivoire	864	1,189	FCO 73%, DEFRA 19%, Other 8%
Cuba	2,088	2,090	FCO 100%
Djibouti	608	608	FCO 100%
Dominican Republic	526	526	FCO 100%
Ecuador	539	1,068	FCO 50%, BEIS 50%
El Salvador	868	868	FCO 100%
Eswatini	265	315	FCO 84%, BEIS 15%, Other 1%
Gabon	21	21	FCO 100%
Georgia	2,853	4,566	FCO 62%, CSSF 33%, Other 5%
Guatemala	862	1,224	FCO 70%, BEIS 28%, Other 2%
Guinea	451	647	FCO 70%, DEFRA 29%, Other 1%
Guyana	1,068	2,009	FCO 53%, BEIS 27%, Other 20%
Haiti	406	439	FCO 92%, BEIS 8%
Honduras	213	328	FCO 65%, DEFRA 20%, Other 15%
Iran	1,566	1,566	FCO 100%
Jamaica	4,229	9,756	FCO 43%, DFID 40%, Other 17%
Kazakhstan	2,673	2,803	FCO 95%, BEIS 5%
Kiribati	22	31	FCO 71%, Colonial Pensions 29%

	£000		Percentage of Total ODA by dept.
	FCO Net ODA Spend in 2019	Total UK Net ODA Spend in 2019	
Korea (Democratic People's Republic of)	304	304	FCO 100%
Lao People's Democratic Republic	960	1,138	FCO 84%, DEFRA 16%
Lesotho	186	253	FCO 74%, HMRC 16%, Other 10%
Mauritania	13	13	FCO 100%
Mexico	10,753	24,458	FCO 44%, PF 28%, Other 28%
Middle East, regional	16,928	38,894	FCO 44%, DFID 23%, Other 33%
Moldova	578	846	FCO 68%, CSSF 32%
Mongolia	1,047	1,773	FCO 59%, BEIS 28%, Other 13%
Montenegro	3,132	3,810	FCO 82%, CSSF 18%
Namibia	962	1,125	FCO 85%, BEIS 15%
Nicaragua	174	329	FCO 53%, DEFRA 47%
Panama	1,641	1,698	FCO 97%, BEIS 3%
Papua New Guinea	849	1,443	FCO 59%, BEIS 39%, Other 2%
Paraguay	485	582	FCO 83%, DEFRA 17%
Saint Lucia	563	563	FCO 100%
Saint Vincent & Grenadines	84	84	FCO 100%
Samoa	1,864	1,870	FCO 100%
Senegal	1,905	2,373	FCO 80%, BEIS 20%
Serbia	3,380	3,412	FCO 99%, CSSF 1%
Solomon Islands	759	796	FCO 95%, Colonial Pensions 5%
Sri Lanka	3,995	8,897	FCO 45%, CSSF 42%, Other 13%
States Ex-Yugoslavia unspecified	-2,349	-2,349	FCO 100%
Suriname	64	64	FCO 100%
Tonga	72	72	FCO 100%
Turkmenistan	608	608	FCO 100%
Tuvalu	48	48	FCO 100%
Uzbekistan <sup>1</sup>	3,535	4,945	FCO 67%, CSSF 33%
Vanuatu	1,443	1,449	FCO 100%

1. Uzbekistan percentage share calculation is based on gross ODA.

The Department for Business, Energy and Industrial Strategy is the majority spending department in the following countries:

	£000		Percentage of Total ODA by dept.
	BEIS Net ODA Spend in 2019	Total UK Net ODA Spend in 2019	
Benin	156	174	BEIS 90%, FCO 10%
Bhutan	237	392	BEIS 61%, FCO 28%, Other 11%
Brazil	22,136	34,342	BEIS 64%, FCO 25%, Other 11%
Burkina Faso	1,498	1,498	BEIS 100%
China (People's Republic of)	33,005	68,380	BEIS 48%, FCO 41%, Other 11%
Far East Asia, regional	2,753	2,987	BEIS 92%, DEFRA 8%
Fiji	1,724	3,431	BEIS 50%, FCO 40%, Other 10%
Gambia	15,761	17,281	BEIS 91%, FCO 9%
Grenada	118	118	BEIS 100%
India	41,182	107,770	BEIS 38%, FCO 28%, Other 34%
Malaysia	6,335	11,348	BEIS 56%, FCO 41%, Other 3%
Marshall Islands	83	83	BEIS 100%
Mauritius	1,105	2,005	BEIS 55%, FCO 45%
Melanesia, regional	1,078	1,078	BEIS 100%
Peru	5,336	10,204	BEIS 52%, FCO 39%, Other 9%
Philippines	6,109	13,638	BEIS 45%, FCO 43%, Other 12%
South & Central Asia, regional	891	891	BEIS 100%
South Africa	18,813	33,530	BEIS 56%, FCO 35%, Other 9%
South America, regional	10,580	17,958	BEIS 59%, FCO 19%, Other 22%
Thailand	8,557	13,903	BEIS 62%, FCO 37%, Other 1%
Vietnam	5,898	11,749	BEIS 50%, FCO 41%, Other 9%

The Conflict, Security and Stability Fund is the majority spending department in the following countries:

	£000		Percentage of Total ODA by dept.
	CSSF Net ODA Spend in 2019	Total UK Net ODA Spend in 2019	
Algeria	7,089	8,327	CSSF 85%, FCO 15%
Central Asia, regional	2,712	4,871	CSSF 56%, FCO 44%
Colombia	14,628	49,701	CSSF 29%, BEIS 25%, Other 46%
Eastern Africa, regional	4,171	5,190	CSSF 80%, BEIS 14%, Other 6%
Egypt	10,575	23,630	CSSF 45%, FCO 38%, Other 17%
Europe, regional	72,488	74,880	CSSF 97%, FCO 2%, Other 1%
Kosovo	3,634	6,650	CSSF 55%, FCO 45%
Libya	10,781	16,427	CSSF 66%, FCO 28%, Other 6%
Maldives	433	635	CSSF 68%, FCO 29%, Other 3%
Mali	3,338	5,197	CSSF 64%, FCO 30%, Other 6%
Morocco	6,705	9,658	CSSF 69%, FCO 27%, Other 4%
Niger	612	993	CSSF 62%, BEIS 26%, Other 12%
North Macedonia	2,264	4,168	CSSF 54%, FCO 45%, Other 1%
North of Sahara, regional	10,902	10,958	CSSF 99%, BEIS 1%
Tunisia	12,276	16,865	CSSF 73%, FCO 25%, Other 2%
Ukraine	12,700	28,637	CSSF 44%, FCO 32%, Other 24%
Western Africa, regional	5,228	5,378	CSSF 97%, DEFRA 2%, Other 1%

Table B.4: UK Gross Bilateral ODA by Sector

Sector Description	£,000				
	2015	2016	2017	2018	2019
<b>Social Infrastructure &amp; Services:</b>					
Education	655,618	967,665	788,723	699,494	796,800
Health	648,512	717,120	965,567	983,759	1,034,034
Population policies/programmes and reproductive health	371,613	338,224	367,252	369,751	433,877
Water supply and sanitation	184,616	170,458	177,032	208,044	177,522
Government & Civil Society	1,032,961	1,132,940	1,164,397	1,204,098	1,322,996
Other social infrastructure and services	294,593	431,940	236,366	215,440	248,824
<b>Economic Infrastructure &amp; Services:</b>					
Transport and storage	153,717	160,606	215,796	141,699	70,547
Communications	1,299	9,039	4,705	4,891	5,909
Energy	114,028	200,489	117,630	229,752	219,551
Banking and financial services	538,501	392,604	366,552	649,617	823,755
Business and other services	90,091	89,780	70,956	117,309	87,116
<b>Production sectors:</b>					
Agriculture, forestry & fishing	423,575	363,985	396,265	320,506	372,769
Industry, mining & construction	87,098	119,568	241,283	343,827	442,419
Trade policies and regulations	53,746	45,919	79,569	71,290	90,799
Tourism	1,169	1,573	1,984	1,333	845
<b>Multi sector/cross cutting:<sup>1</sup></b>					
General environmental protection	328,437	318,790	326,323	352,840	344,903
Other multisector	293,873	519,495	586,448	693,512	732,304
<b>Non Sector Allocable:</b>					
General budget support	49,706	60,000	0	0	0
Developmental food aid/food security assistance	23,750	35,392	48,590	35,549	71,013
Action relating to debt	0	2,249	2,891	3,534	0
Humanitarian Assistance	1,271,577	1,299,391	1,455,582	1,303,539	1,539,587
Administrative costs of donors	400,096	469,749	543,812	657,700	761,210
Support to non-governmental organisations <sup>2</sup>	403,256	328,033	313,332	297,421	324,967
Refugees in Donor Countries	244,655	410,094	378,063	369,676	477,390
Non Sector Allocable <sup>1</sup>	81,619	61,367	44,887	84,070	39,768
<b>Total UK Gross Bilateral ODA</b>	<b>7,748,103</b>	<b>8,646,472</b>	<b>8,894,004</b>	<b>9,358,653</b>	<b>10,418,905</b>

1. Excludes spend through NGOs.

2. This category is limited to spend with NGOs where there are crosscutting activities in a programme or no sectors to allocate (e.g. unearmarked contributions).

**Table B.5: Imputed UK share of Multilateral Net ODA by country<sup>1,2,3</sup>**

	£ thousand					
	2015	2016	2017	2018	2019	Average 2015-2019
<b>North Africa</b>						
Algeria	6,327	6,447	6,861	6,044	5,960	<b>6,328</b>
Egypt	25,960	19,112	21,966	12,290	12,200	<b>18,306</b>
Libya	3,382	3,470	7,228	8,506	11,868	<b>6,891</b>
Morocco	153,875	57,213	38,033	20,510	18,524	<b>57,631</b>
Tunisia	20,626	15,138	15,148	15,660	19,520	<b>17,218</b>
North of Sahara, regional	7,565	11,375	2,525	4,809	4,027	<b>6,060</b>
<b>Sub-Saharan Africa</b>						
Angola	12,347	16,474	18,064	14,341	18,027	<b>15,850</b>
Benin	20,581	27,700	57,850	32,593	28,629	<b>33,471</b>
Botswana	1,703	1,414	3,799	2,272	2,655	<b>2,369</b>
Burkina Faso	64,702	78,634	53,555	89,002	66,255	<b>70,430</b>
Burundi	20,246	19,865	20,650	28,196	34,564	<b>24,704</b>
Cabo Verde	3,844	2,971	4,534	3,241	8,877	<b>4,693</b>
Cameroon	25,885	29,815	208,568	46,729	54,317	<b>73,063</b>
Central African Republic	25,471	48,598	59,946	41,342	42,675	<b>43,606</b>
Chad	87,469	68,437	63,508	48,321	34,589	<b>60,465</b>
Comoros	3,703	3,035	4,025	4,937	5,876	<b>4,315</b>
Congo	5,575	6,036	6,544	9,550	10,079	<b>7,557</b>
Côte d'Ivoire	51,857	58,484	104,801	56,602	44,242	<b>63,197</b>
Democratic Republic of the Congo	114,476	113,622	112,154	149,610	144,461	<b>126,864</b>
Djibouti	3,928	3,982	4,660	7,311	14,834	<b>6,943</b>
Equatorial Guinea	219	258	382	427	504	<b>358</b>
Eritrea	3,701	4,626	4,179	6,991	5,926	<b>5,084</b>
Eswatini	5,054	6,114	6,608	4,633	4,225	<b>5,327</b>
Ethiopia	131,342	203,101	188,861	354,174	175,621	<b>210,620</b>
Gabon	1,301	1,853	1,760	1,358	951	<b>1,445</b>
Gambia	4,504	12,293	27,916	14,729	17,480	<b>15,384</b>
Ghana	109,882	163,406	114,603	47,137	36,791	<b>94,364</b>
Guinea	35,643	48,628	37,892	30,696	34,340	<b>37,440</b>
Guinea-Bissau	7,173	9,176	11,969	13,907	9,629	<b>10,371</b>

	£ thousand					
	2015	2016	2017	2018	2019	Average 2015-2019
Kenya	102,972	90,539	105,941	140,938	121,968	<b>112,472</b>
Lesotho	3,441	6,008	7,548	10,028	12,091	<b>7,823</b>
Liberia	44,508	42,939	30,930	23,566	24,344	<b>33,257</b>
Madagascar	37,339	61,004	117,493	42,435	35,374	<b>58,729</b>
Malawi	60,519	79,946	81,381	52,076	63,831	<b>67,551</b>
Mali	56,093	92,330	88,269	74,985	83,650	<b>79,065</b>
Mauritania	9,387	13,250	26,238	18,202	20,587	<b>17,533</b>
Mauritius	3,696	11,992	1,674	3,315	3,429	<b>4,821</b>
Mozambique	68,443	59,477	54,070	65,706	75,296	<b>64,598</b>
Namibia	3,326	9,855	5,013	6,609	5,369	<b>6,035</b>
Niger	56,665	70,365	93,291	65,640	79,787	<b>73,150</b>
Nigeria	121,952	133,589	159,252	195,347	154,223	<b>152,872</b>
Rwanda	41,704	101,232	105,467	71,700	51,440	<b>74,308</b>
Saint Helena	17	757	29	1,223	15	<b>408</b>
Sao Tome and Principe	1,455	3,372	3,386	2,767	2,961	<b>2,788</b>
Senegal	43,797	41,072	38,425	35,781	49,936	<b>41,802</b>
Seychelles	162	655	419	–	–	<b>247</b>
Sierra Leone	37,803	52,426	51,671	21,217	31,724	<b>38,968</b>
Somalia	27,927	26,340	40,298	37,657	63,010	<b>39,046</b>
South Africa	63,160	23,252	15,584	17,770	13,506	<b>26,654</b>
South Sudan	32,242	38,346	53,566	26,814	52,354	<b>40,664</b>
Sudan	21,230	32,706	29,331	41,611	51,363	<b>35,248</b>
Tanzania	105,567	80,700	141,040	124,010	88,133	<b>107,890</b>
Togo	10,580	11,544	63,273	15,837	24,888	<b>25,224</b>
Uganda	56,879	65,490	65,153	79,585	85,414	<b>70,504</b>
Zambia	27,509	28,443	30,362	48,725	39,194	<b>34,847</b>
Zimbabwe	23,518	19,688	22,305	34,659	43,299	<b>28,694</b>
Africa, regional	62,763	102,509	90,872	127,746	96,146	<b>96,007</b>
Eastern Africa, regional	–	–	–	–	532	<b>106</b>
South of Sahara, regional	39,174	60,498	51,501	105,335	241,231	<b>99,548</b>
Western Africa, regional	–	–	–	–	2,862	<b>572</b>

	£ thousand					
	2015	2016	2017	2018	2019	Average 2015-2019
<b>Middle East</b>						
Iran	870	3,114	2,348	3,025	4,501	<b>2,772</b>
Iraq	17,730	23,131	21,162	27,892	24,576	<b>22,898</b>
Jordan	29,428	38,300	31,185	27,920	28,284	<b>31,023</b>
Lebanon	26,453	26,147	27,165	27,573	26,408	<b>26,749</b>
Syrian Arab Republic	30,656	37,740	36,109	57,673	48,534	<b>42,143</b>
West Bank and Gaza Strip	68,015	62,911	50,489	58,553	57,220	<b>59,438</b>
Yemen	14,559	21,965	76,978	77,950	74,385	<b>53,167</b>
Middle East, regional	9,532	6,713	5,782	8,659	12,036	<b>8,544</b>
<b>South and Central Asia</b>						
Afghanistan	44,083	68,673	75,856	93,705	80,099	<b>72,483</b>
Armenia	10,427	17,344	5,352	8,477	4,778	<b>9,276</b>
Azerbaijan	5,530	4,621	9,728	4,413	2,836	<b>5,426</b>
Bangladesh	206,530	131,425	162,606	255,466	131,448	<b>177,495</b>
Bhutan	3,245	1,780	11,730	7,949	4,732	<b>5,887</b>
Georgia	20,312	18,726	18,395	22,348	11,070	<b>18,170</b>
India	150,837	188,406	159,565	177,533	84,219	<b>152,112</b>
Kazakhstan	10,820	2,402	4,067	1,990	2,155	<b>4,287</b>
Kyrgyzstan	14,852	26,457	26,392	14,828	8,689	<b>18,244</b>
Maldives	43,257	1,012	1,414	1,043	4,776	<b>10,300</b>
Myanmar	27,049	38,165	42,764	51,001	39,596	<b>39,715</b>
Nepal	48,623	43,330	46,704	91,494	87,808	<b>63,592</b>
Pakistan	187,449	140,324	112,586	112,512	85,018	<b>127,578</b>
Sri Lanka	18,100	41,704	26,721	69,438	9,769	<b>33,146</b>
Tajikistan	11,915	10,031	15,779	21,113	18,054	<b>15,378</b>
Turkmenistan	964	1,336	1,251	1,386	954	<b>1,178</b>
Uzbekistan	16,103	16,433	13,850	27,979	16,969	<b>18,267</b>
Central Asia, regional	5,449	9,179	3,240	3,267	6,359	<b>5,499</b>
South & Central Asia, regional	2,009	1,124	544	242	419	<b>868</b>
South Asia, regional	1,408	2,927	2,275	4,278	4,891	<b>3,156</b>

	£ thousand					
	2015	2016	2017	2018	2019	Average 2015-2019
<b>Far East Asia</b>						
Cambodia	13,610	14,967	13,330	24,317	34,894	<b>20,223</b>
China (People's Republic of)	11,202	9,846	6,188	6,099	4,380	<b>7,543</b>
Democratic People's Republic of Korea	3,396	2,968	5,499	5,077	6,169	<b>4,622</b>
Indonesia	17,560	13,160	29,850	15,408	21,581	<b>19,512</b>
Lao People's Democratic Republic	6,239	11,554	15,352	128,050	59,578	<b>44,155</b>
Malaysia	406	998	1,677	1,426	1,141	<b>1,130</b>
Mongolia	4,223	3,862	15,750	17,676	4,354	<b>9,173</b>
Philippines	10,274	8,293	9,024	11,395	12,519	<b>10,301</b>
Thailand	4,206	4,460	4,546	3,817	3,086	<b>4,023</b>
Timor-Leste	3,490	5,442	5,975	3,834	4,703	<b>4,689</b>
Viet Nam	102,880	98,436	85,778	113,370	41,300	<b>88,353</b>
Asia, regional	8,429	12,071	7,280	6,765	8,013	<b>8,512</b>
Far East Asia, regional	4,792	3,561	6,359	8,619	13,234	<b>7,313</b>
<b>Latin America and the Caribbean</b>						
Antigua and Barbuda	562	179	1,431	1,413	1,161	<b>949</b>
Belize	2,430	3,870	2,387	1,791	1,292	<b>2,354</b>
Costa Rica	1,553	1,371	1,488	1,695	942	<b>1,410</b>
Cuba	2,396	2,187	3,271	2,319	4,177	<b>2,870</b>
Dominica	1,977	1,901	2,623	3,047	3,720	<b>2,654</b>
Dominican Republic	5,141	4,467	4,190	4,908	8,040	<b>5,349</b>
El Salvador	2,903	3,406	2,924	13,941	5,628	<b>5,760</b>
Grenada	3,908	4,505	3,192	14,074	750	<b>5,286</b>
Guatemala	4,375	3,601	6,806	10,049	7,093	<b>6,385</b>
Haiti	27,968	49,398	22,681	35,155	29,640	<b>32,968</b>
Honduras	14,554	10,176	8,260	8,875	20,134	<b>12,400</b>
Jamaica	6,661	5,616	3,427	5,291	10,341	<b>6,267</b>
Mexico	6,018	10,836	2,045	2,607	4,555	<b>5,212</b>
Montserrat	412	31	147	722	973	<b>457</b>
Nicaragua	12,332	12,866	11,066	12,783	8,207	<b>11,451</b>
Panama	658	1,810	2,132	1,020	827	<b>1,290</b>
Saint Lucia	3,037	4,221	1,358	1,329	1,298	<b>2,249</b>

	£ thousand					
	2015	2016	2017	2018	2019	Average 2015-2019
Saint Vincent and the Grenadines	2,068	2,617	558	1,533	3,340	<b>2,023</b>
Caribbean & Central America, regional	4,501	4,776	5,073	3,791	12,210	<b>6,070</b>
Caribbean, regional	4,251	4,482	4,576	3,666	22,115	<b>7,818</b>
Central America, regional	–	–	–	–	227	<b>45</b>
<b>South America</b>						
Argentina	1,457	1,780	1,773	2,148	1,183	<b>1,668</b>
Bolivia	24,185	16,065	11,997	11,119	45,740	<b>21,821</b>
Brazil	2,800	5,437	3,641	6,120	4,440	<b>4,487</b>
Chile	1,534	1,724	1,320	–	–	<b>916</b>
Colombia	9,016	12,134	18,402	13,506	14,736	<b>13,559</b>
Ecuador	3,093	17,159	4,326	4,358	5,518	<b>6,891</b>
Guyana	2,918	7,809	3,973	9,560	1,818	<b>5,216</b>
Paraguay	2,899	2,261	3,093	9,641	3,150	<b>4,209</b>
Peru	14,731	5,961	4,562	4,159	4,945	<b>6,872</b>
Suriname	374	776	1,414	886	1,130	<b>916</b>
Uruguay	879	565	503	–	–	<b>389</b>
Venezuela	729	933	846	4,378	11,465	<b>3,670</b>
America, regional	6,201	7,285	8,556	14,219	8,731	<b>8,999</b>
South America, regional	4,027	9,149	4,138	7,124	5,153	<b>5,918</b>
<b>Europe</b>						
Albania	12,124	10,424	8,107	9,706	8,468	<b>9,766</b>
Belarus	3,288	4,105	4,685	3,871	3,579	<b>3,906</b>
Bosnia and Herzegovina	16,956	12,916	17,308	12,214	10,924	<b>14,064</b>
Kosovo	25,664	16,975	18,888	16,470	16,847	<b>18,969</b>
Moldova	9,699	21,566	22,212	7,020	13,169	<b>14,733</b>
Montenegro	3,573	2,987	4,399	4,724	4,778	<b>4,092</b>
North Macedonia	7,771	10,794	12,160	10,511	6,015	<b>9,450</b>
Serbia	17,522	13,588	18,201	22,708	20,240	<b>18,452</b>
States Ex-Yugoslavia unspecified	88	39	125	158	119	<b>106</b>
Turkey	107,483	122,565	80,898	55,593	113,186	<b>95,945</b>
Ukraine	20,419	45,280	28,305	34,496	35,622	<b>32,824</b>
Europe, regional	43,290	42,382	51,048	48,940	60,082	<b>49,148</b>

	£ thousand					
	2015	2016	2017	2018	2019	Average 2015-2019
<b>Pacific Countries</b>						
Cook Islands	658	297	1,045	300	170	<b>494</b>
Fiji	58,332	2,215	5,328	2,819	3,009	<b>14,340</b>
Kiribati	1,801	1,312	1,966	7,862	985	<b>2,785</b>
Marshall Islands	132	137	270	6,135	1,115	<b>1,558</b>
Micronesia	843	1,022	782	3,361	925	<b>1,387</b>
Nauru	26	123	6,718	271	190	<b>1,466</b>
Niue	93	105	256	132	105	<b>138</b>
Palau	22	207	65	47	184	<b>105</b>
Papua New Guinea	8,997	8,067	7,704	34,352	21,920	<b>16,208</b>
Samoa	3,587	19,683	4,793	5,117	5,445	<b>7,725</b>
Solomon Islands	2,128	2,099	6,534	3,001	14,754	<b>5,703</b>
Tokelau	3	14	11	6	16	<b>10</b>
Tonga	2,015	2,224	1,795	8,233	11,686	<b>5,191</b>
Tuvalu	802	11,581	875	873	551	<b>2,936</b>
Vanuatu	3,272	8,012	2,081	5,260	3,691	<b>4,463</b>
Wallis and Futuna	26	47	99	1,537	239	<b>390</b>
Melanesia, regional	–	–	–	–	43	<b>9</b>
Oceania, regional	4,370	8,088	4,158	4,793	11,613	<b>6,605</b>
<b>Unspecified Country/Region</b>						
Developing countries, unspecified	237,800	247,747	298,459	317,496	325,734	<b>285,447</b>
<b>Country Unallocated<sup>4</sup></b>	<b>358,975</b>	<b>428,379</b>	<b>507,700</b>	<b>294,979</b>	<b>407,597</b>	<b>399,526</b>
<b>Total Multilateral Net ODA</b>	<b>4,473,393</b>	<b>4,842,973</b>	<b>5,256,167</b>	<b>5,312,977</b>	<b>4,938,817</b>	<b>4,964,865</b>
of which: Low Income Countries <sup>5</sup>	1,179,237	1,531,899	1,687,725	1,686,472	1,544,894	<b>1,526,045</b>
<i>proportion of country-specific total</i>	<i>32%</i>	<i>39%</i>	<i>40%</i>	<i>39%</i>	<i>42%</i>	<i>38%</i>

1. It is not possible to track directly the destination or purpose of UK funding to the general core budgets of the multilateral organisations, where the multilaterals have general control over the use of the funding. However, a good indication of where UK funding goes is provided by OECD DAC data where the multilaterals report aid spend by country and sector. These estimates have been calculated on the basis of the UK's share of the multilaterals' reported aid spending to the OECD.
2. The OECD data cover most of the main multilaterals the UK funds. In 2019, around 9% of the UK's core multilateral funding is not covered by the OECD data, and this unreported spending is allocated to country unallocated category. More details on the estimates' quality is found in the accompanying Imputed Multilateral Share report.

3. These reflect minor methodology changes we have made to ensure we are aligned with OECD methods where appropriate and to use the most appropriate OECD multilateral data in the UK IMS calculation. We have implemented these minor improvements for 2015 to 2019. For more information on this methodology change, please see our note: [Improvement to the UK calculation of Imputed Multilateral Shares](#).
4. UK core contributions to multilaterals that did not report disbursement or commitment data to the OECD DAC.
5. Countries are defined as 'Low Income' based on the World Bank's GNI per capita classification. The classification is used by the OECD DAC to define the list of receiving countries under the ODA rules.

# Annex C: Regulatory Reporting – Core Tables

The common core tables and annual accounts have both been prepared on a Clear Line of Sight basis since 2011-12. The expectation is that there should be consistency between these two sources of data. The common core tables below reflect total departmental budgets including the core FCDO, bodies sponsored by the FCDO and expenditure on prosperity; conflict, stability and security; and peacekeeping.

In the FCDO Main Estimate 2021-22, the legacy FCO and DFID estimate rows have been merged. The data below is presented in the format of the revised estimate structure. A mapping from the 2020-21 estimate structure to the 2021-22 structure is available in the Main Estimates Memorandum 2021-22.

<https://www.gov.uk/government/publications/foreign-commonwealth-development-office-main-estimates-memorandum-2021-to-2022>:

See footnotes for further details.

Table 1. Public Spending

	2016-17 Outturn £'000	2017-18 Outturn £'000	2018-19 Outturn £'000	2019-20 Outturn £'000	2020-21 Outturn £'000	2021-22 Plans £'000
<b>Resource DEL</b>						
Section A: Operating Costs, frontline diplomacy and overseas network	1,165,653	1,178,674	1,311,408	1,451,245	1,446,249	1,651,742
Section B: Funding for NDPBs within Departmental Group (Net)	32,666	36,065	37,026	37,011	34,424	40,177
Section C: British Council	162,001	171,000	188,300	191,500	148,700	189,000
Section D: Strategic priorities and other programme spending <sup>1</sup>	6,606,399	6,782,629	6,327,746	7,131,070	6,362,857	3,963,947
Section E: International subscriptions, scholarships and BBC World Service	221,826	290,414	292,436	300,327	300,328	258,730
Section F: Conflict, Stability and Security Fund	778,053	829,999	894,527	863,229	886,302	720,585
Prosperity Fund <sup>2</sup>		37,583	66,366	133,797	213,060	
Equality and Human Rights Commission (ALB) (Net)			18,257			
Government Equalities Office			18,418			
<b>Non-Voted</b>						
Section G: European Union Attributed Aid	498,000	439,000	452,000	475,000	522,000	608,000
	<b>9,464,598</b>	<b>9,765,364</b>	<b>9,606,484</b>	<b>10,583,179</b>	<b>9,913,920</b>	<b>7,432,181</b>
<b>Resource AME</b>						
<b>Voted</b>						
Section H: Other central programme and technical costs	106,576	444,715	(123,418)	(158,584)	617,378	181,043
<b>Total Resource AME</b>	<b>106,576</b>	<b>444,715</b>	<b>(123,418)</b>	<b>(158,584)</b>	<b>617,378</b>	<b>181,043</b>
<b>Total Resource</b>	<b>9,571,174</b>	<b>10,210,079</b>	<b>9,483,066</b>	<b>10,424,595</b>	<b>10,531,298</b>	<b>7,613,224</b>

1. In the Resource DEL table above the Integrated Activity Fund (IAF) is included in Section D: Strategic priorities and other programme spending. In FCO's 2018-19 and 2019-20 accounts the IAF was presented with the Prosperity Fund in the estimate row entitled Prosperity and Integrated Activity Funds.
2. In FCO's 2017-18 accounts the Prosperity Fund was included in the row entitled Administration and programme expenditure.

	2016-17 Outturn £'000	2017-18 Outturn £'000	2018-19 Outturn £'000	2019-20 Outturn £'000	2020-21 Outturn £'000	2021-22 Plans £'000
<b>Capital DEL</b>						
Section A: Operating Costs, frontline diplomacy and overseas network	46,636	-270,872	122,682	124,008	109,340	108,526
Section C: British Council					52,000	70,000
Section D: Strategic priorities and other programme spending	2,600,993	2,723,264	3,070,905	2,016,732	2,668,045	1,759,514
Section F: Conflict, Stability and Security Fund	2,506	9,012	17,334	23,807	37,000	70
Prosperity Fund			35,354	19,394	4,692	
	<b>2,650,135</b>	<b>2,461,404</b>	<b>3,246,275</b>	<b>2,183,941</b>	<b>2,871,077</b>	<b>1,938,110</b>
<b>Capital AME</b>						
<b>Voted</b>						
Section I: CDC Group plc	284,964	395,000	736,000	955,000	650,000	646,000
<b>Total Capital AME</b>	<b>284,964</b>	<b>395,000</b>	<b>736,000</b>	<b>955,000</b>	<b>650,000</b>	<b>646,000</b>
<b>Total Capital</b>	<b>2,935,099</b>	<b>2,856,404</b>	<b>3,982,275</b>	<b>3,138,941</b>	<b>3,521,077</b>	<b>2,584,110</b>

Table 2. Administration Budget

	2016-17 Outturn £'000	2017-18 Outturn £'000	2018-19 Outturn £'000	2019-20 Outturn £'000	2020-21 Outturn £'000	2021-22 Plans £'000
<b>Administration</b>						
Section A: Operating Costs, frontline diplomacy and overseas network	211,421	274,921	229,839	227,642	242,635	322,485
Section B: Funding for NDPBs within Departmental Group (Net)	1,909	1,949	1,933	805	800	828
Equality and Human Rights Commission (ALB) (Net)			13,154			
Government Equalities Office			7,615			
	<b>213,330</b>	<b>276,870</b>	<b>252,541</b>	<b>228,447</b>	<b>243,435</b>	<b>323,313</b>

# Annex D:

## Arm's Length Bodies

A full explanation of the FCDO's Arm's Length Bodies is provided within the Corporate Governance Report at page 111. The ALBs below are only those within the FCDO's accounting boundary.

Financial Information by ALB	Independent Commission for Aid Impact (ICAI)	Commonwealth Scholarship Commission (CSC)	Wilton Park	Great Britain-China Centre (GBCC)	Marshall Aid Commemoration Commission (MACC)	Westminster Foundation for Democracy (WFD)
Total Grants from FCDO (£'000)	3,620	25,313	2,786	500	2,700	3,243
Total Operating Income (£000)	0	0	2,682	504	161	11,239
Total Operating Expenditure (£000)	(3,121)	(25,473)	(6,580)	(814)	(2,641)	(14,230)
<b>Total Net Operating Expenditure (£000)</b>	<b>499</b>	<b>(160)</b>	<b>(1,112)</b>	<b>190</b>	<b>220</b>	<b>252</b>
Finance Income (£000)	0	0	0.7	0.4	0.9	0.1
Finance Expense (£000)	0	0	0	(50.1)	0	0
<b>Net Expenditure for the year (£000)</b>	<b>499</b>	<b>(160)</b>	<b>(1,112)</b>	<b>140</b>	<b>221</b>	<b>252</b>

Staffing Information by ALB	Independent Commission for Aid Impact (ICAI)	Commonwealth Scholarship Commission (CSC) <sup>111</sup>	Wilton Park	Great Britain-China Centre (GBCC)	Marshall Aid Commemoration Commission (MACC) <sup>112</sup>	Westminster Foundation for Democracy (WFD)
No. of permanent staff	14	0	83	9	0	49
No. of other staff		0	0	1	0	0
<b>Total number of staff</b>	<b>14</b>	<b>0</b>	<b>83</b>	<b>10</b>	<b>0</b>	<b>49</b>
Permanent staff costs (£000)	864	0	4,552	394	0	3,453
Other staff costs (£000)	0	0	0	19	0	0
<b>Total staff costs (£000)</b>	<b>864</b>	<b>0</b>	<b>4,552</b>	<b>413</b>	<b>0</b>	<b>3,453</b>

<sup>111</sup> There are no staff employed in CSC. Day to day functions are carried out by external administrators.

<sup>112</sup> There are no staff employed in MACC. Day to day functions are carried out by external administrators.



