



National Audit Office

An Overview of the
**Foreign, Commonwealth
& Development Office**
for the new Parliament 2023-24

November 2024

OVERVIEW

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1 Introduction to the National Audit Office

Welcome to our Overview of the Foreign, Commonwealth & Development Office, part of our series of Overviews for the new Parliament, covering government departments and cross-cutting issues.

The National Audit Office (NAO) is the UK's independent public spending watchdog and is responsible for scrutinising public spending for Parliament. We audit the financial accounts of all departments, executive agencies, arm's-length bodies, some companies and some charities, and other public bodies. We also examine and report on the value for money of how public money has been spent.

The NAO is independent of government and the civil service. The NAO's wide remit and unique access rights enables us to investigate whether taxpayers' money is being spent in line with Parliament's intention and to respond to concerns where value for money may be at risk.

We support all Members of Parliament to hold government to account and we use our insights to help those who manage and govern public bodies improve public services. In 2023, the NAO's work led to a positive financial impact through reduced costs, improved service delivery, or other benefits to citizens, of £1.59 billion.

We are funded by, and accountable to, Parliament. As an Officer of the House of Commons, I am committed to ensuring that we support you and your staff in your work as a Member of Parliament, and your scrutiny of public spending and performance.

Our dedicated Parliamentary team can offer you support and put you in touch with our experts on subjects of interest to you and your constituents. If you would like more information about our work, or to arrange a briefing with me or one of my teams, please contact our Parliamentary Relations team at parliament@nao.org.uk.



Gareth Davies

COMPTROLLER & AUDITOR GENERAL
NATIONAL AUDIT OFFICE

Gareth Davies was appointed Comptroller & Auditor General (C&AG) in June 2019. He was appointed by the Monarch, following the approval of the House of Commons.

The C&AG has statutory authority to examine and to report directly to Parliament on whether government departments and other public sector bodies have spent taxpayers' money in the way Parliament intended. The C&AG and his staff are totally independent of government.

Gareth is a Fellow of the Chartered Institute of Public Finance and Accountancy and a Fellow of the Institute of Chartered Accountants in England and Wales. He is a non-executive Board member of the INTOSAI Development Initiative (IDI), which supports Supreme Audit Institutions (SAIs) in developing countries to sustainably enhance their performance and capacity.

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2 How the NAO can help you as a Member of Parliament

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How we support Parliament

We produce reports:

- on the annual accounts of government departments and their agencies;
- on the economy, efficiency and effectiveness with which government has spent public money; and
- to establish the facts where there are concerns about public spending issues.

We do not question government policy objectives. We look at how government has spent money delivering those policies and if that money has been used in the best way to achieve the intended outcome.

What we can offer

Through our website or our Parliamentary Relations team, MPs, peers and staff can:

- request a personal briefing on areas of our work that are of interest to them;
- sign up to receive embargoed copies of our reports on subjects of interest;
- make general queries about public spending, or raise concerns with us about value for money; and
- request advice on understanding and scrutinising departments' annual reports and accounts.

Resources available on our website

- **Reports:** Reviews of public spending and how well government is delivering.
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- **Overviews:** Factual overviews of government departments, sectors and services.
- **Work in progress:** Our schedule of future publications.
- **Briefings:** Background information and factual analysis to support Select Committees.

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How to get in touch

- Via our Parliamentary email inbox: parliament@nao.org.uk.



Auditing the accounts of all government departments and public organisations, helping assure money is being spent the way Parliament intended



Reporting to Parliament on the value for money of how public money has been spent and what has been achieved



Sending you embargoed copies of our reports before they are available to the public



Providing briefings to you or a member of your team on our work



Providing advice and training on examining government departments' annual reports and accounts



Giving evidence to Select Committees



Our fortnightly newsletter with our latest reports and new work



You can write to us with any queries or concerns about the misuse of public money or behaviour in public bodies we audit

3 About this Overview

This report has been produced to provide an introduction to the Foreign, Commonwealth & Development Office (FCDO) and the NAO's examination of its spending and performance.

It is intended to support the Foreign Affairs Committee, International Development Committee and members across the House in their examination of FCDO.

It summarises the key information and insights that can be gained from our examinations of FCDO and related bodies in the sector in the UK, and [FCDO's Annual Report and Accounts](#). FCDO spent **£12.1 billion in 2023-24** in leading the government's diplomatic, development and consular work around the world.

The report includes:

- the role and remit of FCDO;
- how FCDO is structured;
- where FCDO spends its money, including Official Development Assistance (ODA);
- how FCDO has managed reductions in ODA;
- the merger of the Foreign & Commonwealth Office and the Department for International Development to form FCDO;
- FCDO's activity on foreign policy and responding to crises;
- key challenges facing FCDO this Parliament; and
- where to find more information about FCDO.

This report updates our previous report, [Foreign, Commonwealth & Development Office: Departmental Overview 2021-22](#), published in February 2023.

How we have prepared this report

The information in this report draws on the findings and recommendations from our financial audit and value-for-money work, and from publicly available sources, including the annual report and accounts of FCDO and its bodies.

We have cited these sources throughout the guide to enable readers to seek further information if required. Where analysis has been taken directly from our value-for-money or other reports, details of our audit approach can be found in

the Appendix of each report, including any evaluative criteria and the evidence base used.

Other analysis in the guide has been directly drawn from publicly available data and includes the relevant source as well as any appropriate notes to help the reader understand our analysis.

Other relevant publications

More information about our work on FCDO, as well as information about our other recent and upcoming reports, can be found on the [NAO website](#).



4 The Foreign, Commonwealth & Development Office

The Foreign, Commonwealth & Development Office's (FCDO's) vision is to deliver for the UK internationally, leading the government's diplomatic, development and consular work around the world.

In September 2020, the Foreign & Commonwealth Office (FCO) and the Department for International Development (DFID) merged to become the Foreign, Commonwealth & Development Office (FCDO) (see pages 18 to 20).

In its Outcome Delivery Plan for 2023-24, FCDO committed to the following Priority Outcomes

- 1 Shape an open and stable international order through strong alliances and future partnerships.
- 2 Protect our national and international security and mitigate the threats of strategic competition through building partnerships, strengthening deterrence and effective constraint.
- 3 Reinvigorate the UK's leadership role in international development to tackle shared global challenges, respond to humanitarian crises and support the Sustainable Development Goals.
- 4 Support British nationals around the world by providing resilient 24/7 Consular services and agile crisis response.

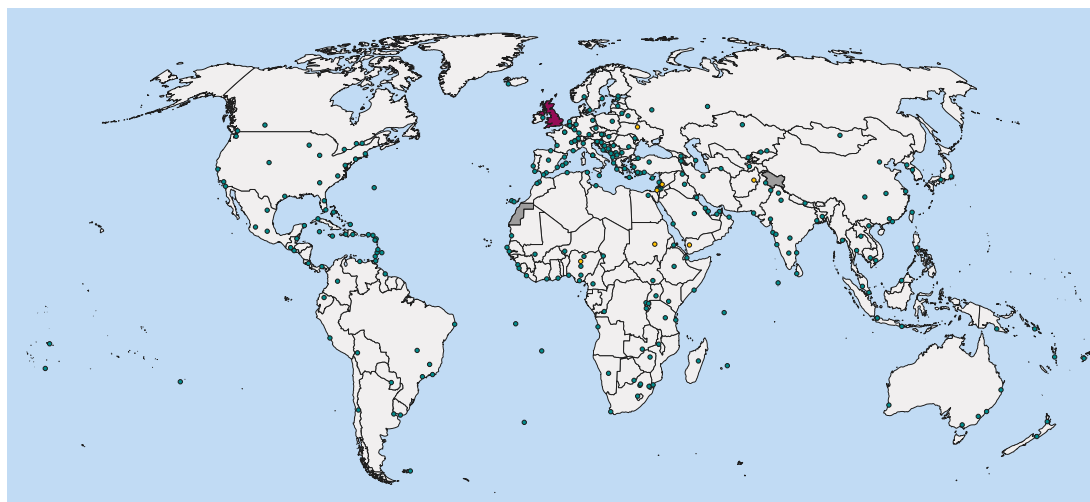
Note

- 1 Outcome Delivery Plans and priorities are being updated for 2024-25.

Source: Foreign, Commonwealth & Development Office, *Annual Report and Accounts 2023-24*

Foreign, Commonwealth & Development Office (FCDO) officially designated overseas posts, September 2024

FCDO has posts across the world



- United Kingdom
- Disputed territories
- Permanent locations
- Temporarily closed or limited function

Note

- 1 Please note this map is not to be taken as necessarily representing the views of the UK government on boundaries or political status. This map has been designed for information purposes only and should not be used for determining the precise location of places or features nor considered an authority on the delimitation of international boundaries or on the spelling of place and feature names.

Source: National Audit Office analysis of Foreign, Commonwealth & Development Office data

FCDO has 282 officially designated overseas posts, comprising:

162
embassies/high commissions

62
consulates, consulates-general and deputy high commissions

11
permanent missions

12
overseas territories posts

4
resident commissioners

31
other representations

5 How the FCDO group is structured

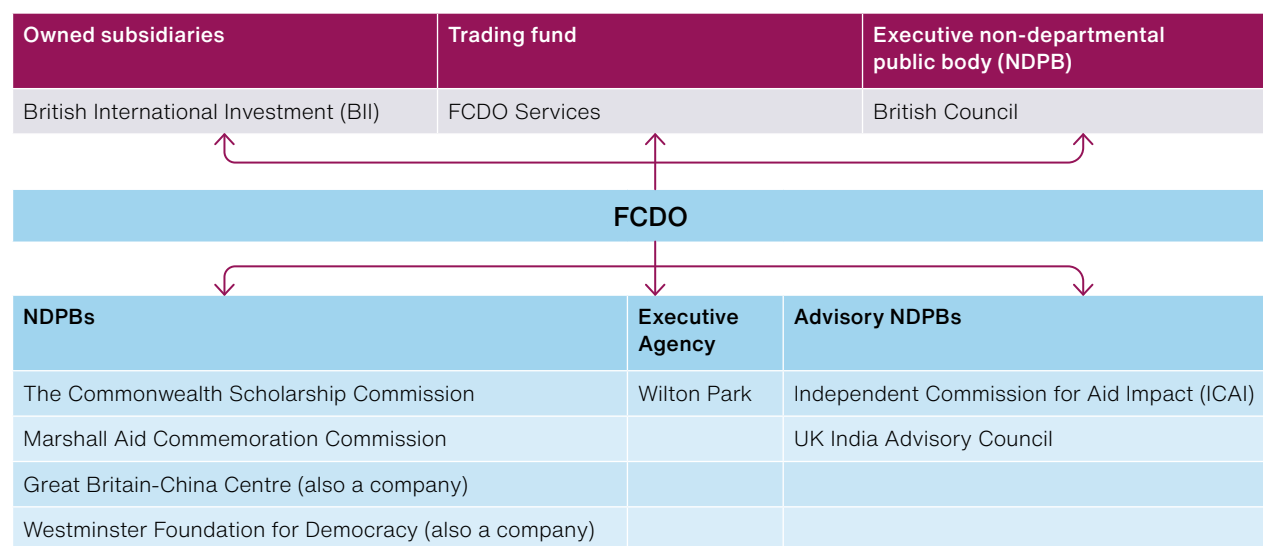
The FCDO departmental group comprises 10 organisations in addition to the core department.

FCDO's relationship with each entity is agreed and set out in a published framework document that covers funding levels, jointly agreed priorities, performance measures and governance.

- **Executive agencies and non-departmental public bodies (NDPBs):** The Permanent Under-Secretary (PUS) is responsible for these entities (see table opposite).
- **FCDO Services and the British Council** are sponsored by FCDO but sit outside FCDO's financial reporting boundary, which means that their financial activities are not reflected in FCDO's financial statements. The PUS, as Principal Accounting Officer of FCDO, has appointed Accounting Officers for these bodies, although he is responsible for ensuring that appropriate systems and controls are in place.
- **British International Investment plc** is 100% owned by FCDO, which operates an arm's-length relationship. This means that day-to-day operations and decision making take place outside government (see page 16).

Foreign, Commonwealth & Development Office (FCDO) departmental group structure

The FCDO departmental group comprises 10 organisations, in addition to the core department



- Outside the financial reporting boundary
- Inside the financial reporting boundary

One HMG Overseas

FCDO manages and provides the One HMG Overseas platform used by more than 35 other government departments, arm's-length bodies and devolved governments. This provides services including HR, transport, accommodation, finance and procurement. FCDO also coordinates with other departments on international objectives, including the UK's response to crises overseas, and in pursuit of cross-government objectives – for example, the government's counter-terrorism strategy.

Notes

- 1 For more information on these organisations please see *FCDO Services Annual Report and Accounts, 2023-24*; *The Westminster Foundation for Democracy Annual Report and Accounts 2023-24*; *Wilton Park Annual Report and Accounts, 2023-24*; *The Marshall Aid Commemoration Commission Annual Report and Accounts 2022-23*; *Great Britain-China Centre Annual Report and Accounts 2022-23*; *British Council Annual Report and Accounts 2022-23*; *British International Investment Annual Accounts 2023*; and (included within FCDO's Annual Report and Accounts) the Independent Commission for Aid Impact; and Commonwealth Scholarship Commission.
- 2 FCDO owned the British Intergovernmental Services Authority, which was incorporated in August 2013 but did not start trading, and was dissolved in May 2024.
- 3 FCDO also provides grant funding to the BBC World Service, which is part of the BBC as an independent public corporation, overseen by the Department for Culture, Media & Sport.
- 4 The British Council is also a public corporation and charity.
- 5 The UK India Advisory Council was disbanded in 2024-25.
- 6 Entities within the financial reporting boundary are included in FCDO's group accounts. Entities outside the financial reporting boundary are not, but they produce their own accounts.

Source: National Audit Office analysis of *Foreign, Commonwealth & Development Office's Annual Report and Accounts 2023-24*

6 FCDO's internal structure

FCDO is organised along geographical and thematic lines, led by the Permanent Under-Secretary and second Permanent Under-Secretary.

The Permanent Under-Secretary is the Principal Accounting Officer for FCDO, the Head of the Diplomatic Service and the most senior policy adviser to the Foreign Secretary. He is responsible for the management of FCDO in the UK and overseas and for advising the Foreign Secretary and the ministerial team on international policy. The post of Second Permanent Under-Secretary was created in July 2023. As additional Accounting Officer, the Second Permanent Under-Secretary manages, and is accountable for, FCDO's development programme portfolio. He leads on international development priorities and the implementation of FCDO's development objectives.

Foreign, Commonwealth & Development Office (FCDO) structure

FCDO is managed, and reports internally, on a basis consistent with its nine Director General areas

Thematic priorities		Geographical priorities
<p>DG Humanitarian and Development (£4.7 billion)</p> <p>Responsible for delivering the UK government's International Development Strategy. Leads on global themes and programmes on areas including global health; gender and equalities; and humanitarian.</p>	<p>DG Finance and Corporate (£1.3 billion)</p> <p>Responsible for areas including people; finance; UK overseas network; estates and security; digital; commercial; audit and investigation.</p>	<p>DG Indo-Pacific, Middle East and North Africa (MENA) (£1.0 billion)</p>
<p>DG Economics, Climate and Global Issues (£1.2 billion)</p> <p>Responsible for areas including economics and evaluation; trade and economic security; British Investment Partnerships; and energy, climate and environment.</p>	<p>DG Defence and Intelligence (£0.6 billion)</p> <p>Responsible for defence, intelligence, national security, cyber and information threats, Eastern Europe and Central Asia, crisis management and consular services.</p>	<p>DG Africa, the Americas and Overseas Territories (£1.3 billion)</p>
<p>DG Geopolitics (£0.5 billion)</p> <p>Lead responsibility to shape the UK's response to the global geopolitical context. Leading FCDO's work on influence and engagement via multilateral organisations, the UN system, the Commonwealth. Responsible for maximising our influence with middle powers and via the G7 and G20. Provides policy advice and delivery on sanctions and human rights.</p>	<p>DG Legal</p> <p>Responsible for delivering a legal service to FCDO, including delivering legal advice to the government on international law and oversight of the Department's treaties and maritime policy work.</p>	<p>DG Europe (£0.3 billion)</p>

Notes

- 1 The expenditures shown are net expenditure for 2023-24 and are taken from Note 2 to the accounts – Statement of Operating Expenditure by Operating Segment.
- 2 Expenditure for DG Legal is included within the 'Other' category in the 2023-24 Annual Report and Accounts.

Source: National Audit Office analysis of *Foreign, Commonwealth & Development Office's Annual Report and Accounts 2023-24*

Staff numbers

FCDO employed 17,532 people worldwide in 2023-24 (up from 17,033 in 2022-23), costing £909 million. 47% were UK-based staff and 53% were country-based staff, who are employed locally in different countries. As at 31 March 2024, 27% of UK-based staff were based overseas.

Recent machinery of government changes

- The UK government's investment in eight International Climate Fund programmes (UKCI) was transferred from the Department for Business, Energy & Industrial Strategy to FCDO during 2023-24. FCDO subsequently transferred the investment to British International Investment (BII).
- On 24 July 2024, the Prime Minister announced that responsibility for the UK's relationship with the European Union will move from FCDO to the Cabinet Office with immediate effect.

7 Where FCDO spends its money

In 2023-24, FCDO spent £12.1 billion against a budget of £13.1 billion

These values are taken from FCDO's *Annual Report and Accounts 2023-24*. They cover spending on day-to-day resources and administration costs, alongside spending on programme delivery, asset purchases and investments. They cover both Official Development Assistance (ODA) spending and non-ODA spending.

Regional bilateral and centrally managed programmes, and core multilateral programmes: in areas including health, climate and environment, and humanitarian aid (£5.8 billion in 2022-23).

Operating costs, frontline diplomacy and overseas network: administration and network costs (£1.9 billion in 2022-23).

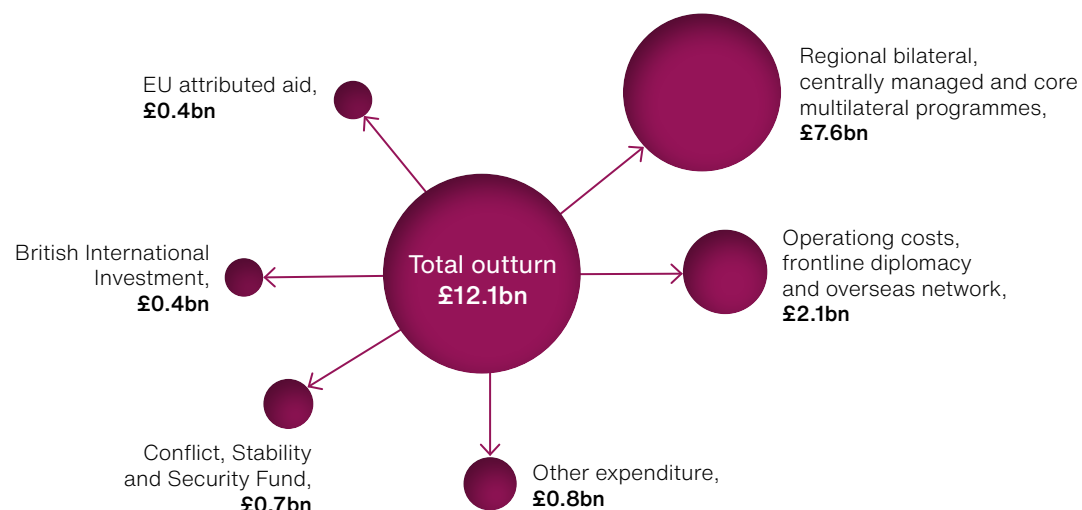
Conflict, Stability and Security Fund (CSSF): cross-government fund for activity to prevent instability and conflicts (£670 million in 2022-23). The UK Integrated Security Fund (UKISF) replaced the CSSF on 1 April 2024.

EU attributed aid: outstanding commitments under the EU-UK Withdrawal Agreement for EU development projects (£532 million in 2022-23).

British International Investment (BII): capital investment in the UK's development finance institution (£289.5 million in 2022-23).

Other expenditure: spending on international subscriptions and the BBC World Service (£361 million), the British Council (£235 million), funding for non-departmental public bodies within the departmental group (£40 million) and £203 million for other central programme and technical costs (£1.1 billion on 'other expenditure' in 2022-23).

Foreign, Commonwealth & Development Office (FCDO) total spending against budget, 2023-24



Notes

- 1 FCDO underspent by £1.0 billion in the 2023-24 financial year against its £13.1 billion budget for the year. This was largely due to an overestimation of FCDO's resource annually managed expenditure (resource AME), an area of spending that is highly volatile in nature, resulting in an underspend of £650 million. This part of the budget was set at a level to provide cover for a reasonable worst-case scenario. However, this spending was affected by factors including favourable foreign exchange rates, resulting in a lower level of spending than anticipated. There was also an underspend of £174 million on FCDO's resource departmental expenditure limit (resource DEL), and £139 million on FCDO's capital departmental expenditure limit (capital DEL).
- 2 The figures in the smaller bubbles may not total the central amount due to rounding.

Source: National Audit Office analysis of *Foreign, Commonwealth & Development Office, Annual Report and Accounts 2023-24*

8 FCDO programme spending

FCDO's 2023-24 total programme spend was £9.8 billion

FCDO delivers many of its strategic objectives through programmes. This £9.8 billion of spending is included in the £12.1 billion expenditure shown on page 9. Of this £9.8 billion, [FCDO's Annual Report and Accounts 2023-24](#) set out that £0.76 billion (around 7.7 percent) was not counted as Official Development Assistance (ODA), because it was spent in countries or on activity that did not meet the international definition of ODA.

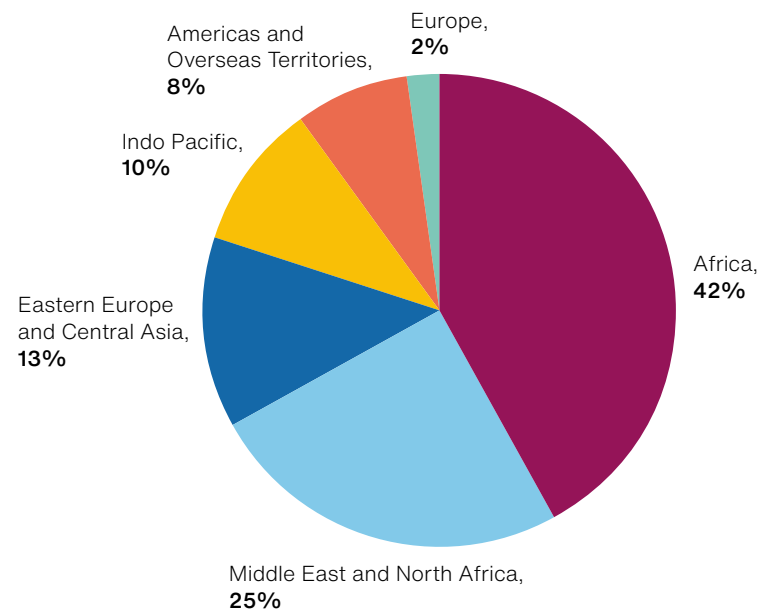
FCDO's priorities for spending on Official Development Assistance

In 2023-24, FCDO's priorities for ODA expenditure included mobilising more international finance for development, strengthening and reforming the international system, putting women and girls centre stage, and building resilience and enabling adaptation to conflict, disasters, and climate change. These priorities are set out in the UK government's strategy for international development (May 2022) and the white paper, [International development in a contested world: ending extreme poverty and tackling climate change](#) (November 2023).

FCDO's current priorities for ODA expenditure include delivering humanitarian aid to those who need it most, tackling the climate and nature emergencies, working for peace, accelerating economic development and growth, and putting equality and women and girls at the heart of everything. FCDO is currently undertaking a strategic review of international development to help shape future development policy.

Foreign, Commonwealth & Development Office (FCDO) programme spending by region in 2023-24

FCDO spent 42% of the £1.9 billion regional programme budget in Africa



Note

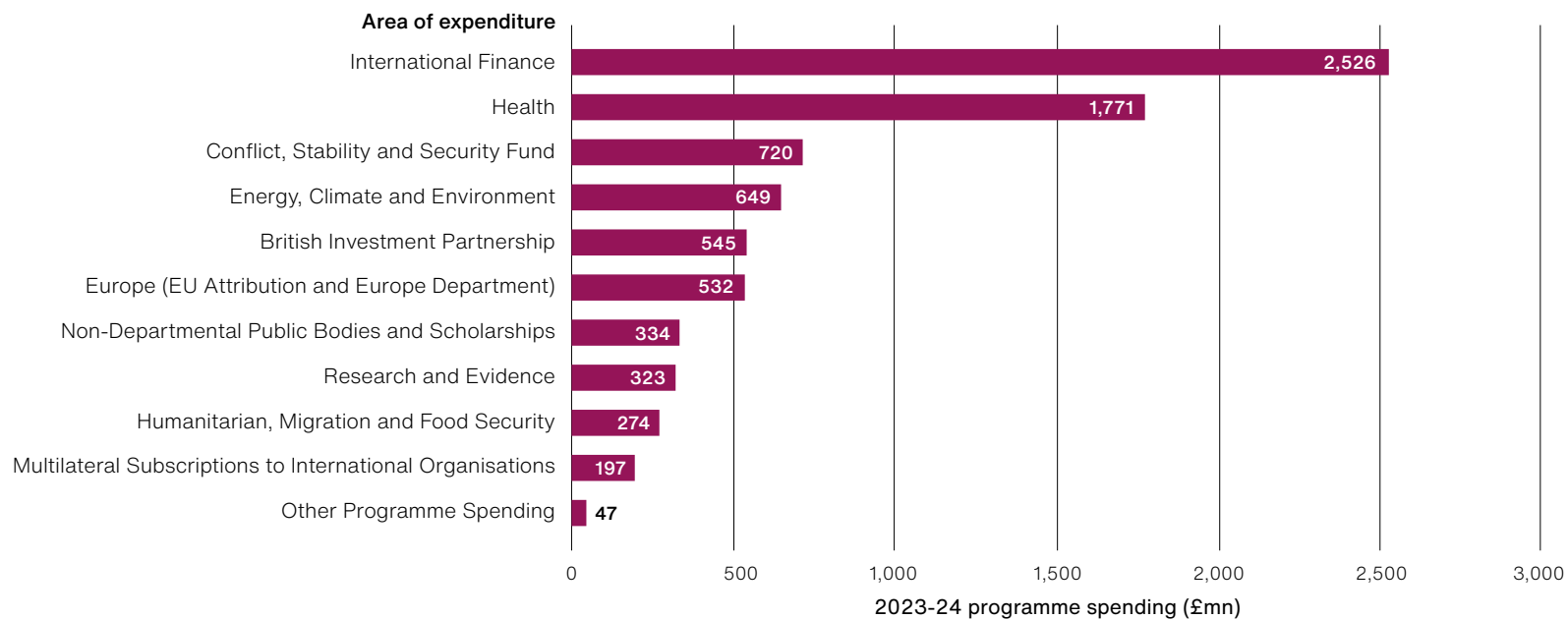
1 The amounts presented represent the figures for the financial year ended 31st March 2024, as set out in Annex A of [FCDO Annual Report and Accounts 2023-24](#).

Source: National Audit Office analysis of Foreign, Commonwealth & Development Office's [Annual Report and Accounts 2023-24](#)

Section 8: FCDO programme spending *continued*

Foreign, Commonwealth & Development Office (FCDO) programme spending by sector in 2023-24

International Finance and Health were the largest categories of FCDO's spending not directly allocated against an individual region



Notes

- 1 'Other Programme Spending' includes 12 areas of expenditure. One of these areas, 'Other Central Programmes', is –£338mn of negative spend due to 'loan reflows and returned funds' and the expenditure is offset elsewhere.
- 2 The three highest areas of expenditure in 'Other Programme Spending' are Education, Gender & Equality (£143mn), BBC World Service (£104mn) and Development & Open Societies (£67mn). All other areas are individually below £20mn.

Source: National Audit Office analysis of Foreign, Commonwealth & Development Office, [Annual Report and Accounts 2023-24](#), Annex A

9 Official Development Assistance (ODA) spending patterns

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A reduction in the ODA spending target and increased ODA spending by other departments has put pressure on FCDO ODA spending over recent years.

ODA spending targets

Since 1970, the United Nations has endorsed a target for developed countries to spend 0.7% of their gross national income (GNI) on ODA. In 2010, the UK government committed to do so from 2013 onwards. The UK made meeting the target a legal requirement in 2015. In November 2020, the previous government announced it would reduce its ODA contributions to 0.5% of GNI (see page 14) and committed to return to spending 0.7% “when the fiscal situation allows”.

An increasing amount of UK ODA is being used to support refugees and asylum seekers in the UK, affecting the budget available for development programmes overseas.

Under international rules, some of these costs can be counted as ODA. In 2023, £4.3 billion of UK ODA was spent this way (27.9% of UK ODA), up from £477 million (3.1% of UK ODA) in 2019. As ODA spender or saver of last resort, FCDO is required to make in-year ODA saving or spending decisions and adapt its programming to ensure that the ODA target is met and not exceeded.

The 2022 Autumn Statement announced additional ODA resources of £1 billion for 2022-23 and £1.5 billion for 2023-24. The government also announced a shift in its approach to the ODA target from “meet but not exceed” to “around” 0.5%. In March 2023, [ICAI](#) concluded that this only partially mitigated the disruption to FCDO’s ODA programming.

In July 2024, [FCDO](#) explained changes to its 2024-25 budget, including a reduction in its ODA budget by £991 million to manage the costs across government of supporting refugees and asylum seekers in the UK.

The NAO and [ICAI](#) have reported on government spending on asylum:

- [NAO \(2024\) Investigation into asylum accommodation](#)
- [NAO \(2023\) Investigation into the Homes for Ukraine scheme](#)
- [NAO \(2023\) The asylum and protection transformation programme](#)

The [gov.uk Development Tracker](#) site shows details of ODA programmes led by FCDO and other government departments.

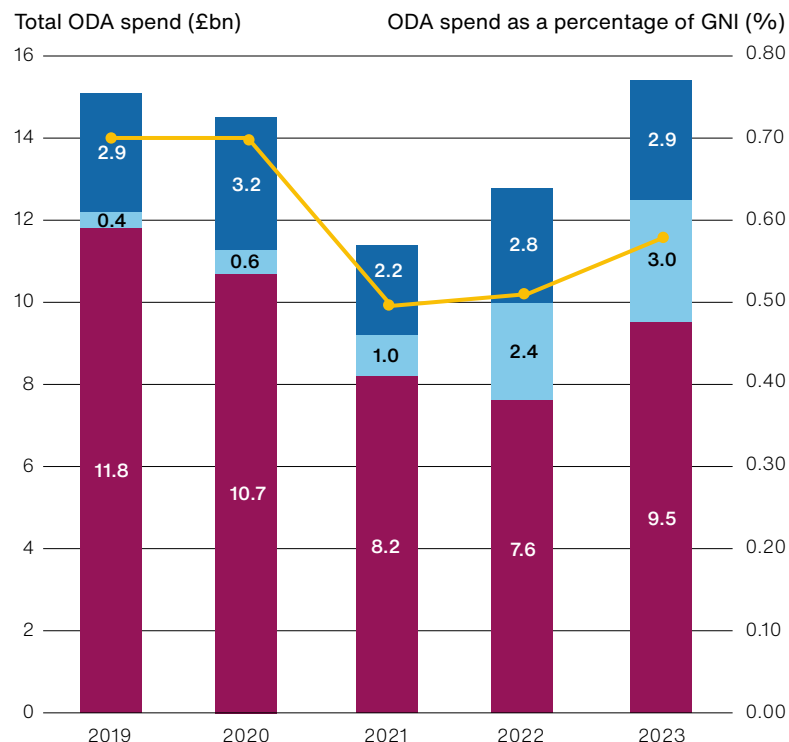


Section 9:

Official Development Assistance (ODA) spending patterns *continued*

Foreign, Commonwealth & Development Office's (FCDO's) Official Development Assistance (ODA) spending compared with other government departments (OGDs), 2019-2023

Between 2019 and 2023, FCDO has spent the majority of the UK's ODA, although the proportion spent by other departments has increased in recent years



- FCDO ODA (£bn)
- Home Office ODA (£bn)
- Other government departments and other contributors ODA (£bn)
- UK net ODA expenditure as a percentage of GNI

	2019	2020	2021	2022	2023
UK Net ODA expenditure (£bn)	15.2	14.5	11.4	12.8	15.3
UK Net ODA expenditure as a percentage of GNI (%)	0.7	0.7	0.5	0.51	0.58
UK ODA spending by government departments (other than FCDO and the Home Office) and other contributors (%)	19.4	22.2	19.3	21.6	18.9
UK ODA spending by the Home Office (%)	2.9	4.1	9.1	18.7	19.3
UK ODA spending by FCDO (%)	77.7	73.7	71.6	59.7	61.9

Notes

- 1 In 2023, the largest ODA spenders other than FCDO and the Home Office were the Department for Health & Social Care (£535 million, 3.5%), the Ministry of Housing, Communities & Local Government (£466 million, 3.0%) and the Department for Energy Security & Net Zero (£440 million, 2.9%).
- 2 FCDO ODA expenditure for 2019 to September 2020 combines spending by the former Foreign & Commonwealth Office and Department for International Development to represent FCDO.
- 3 Totals may not sum due to rounding.
- 4 Statistics are based on calendar years, in contrast to the financial information in FCDO's *Annual Report and Accounts 2023-24*, which is based on the financial year.

Source: National Audit Office analysis of Foreign, Commonwealth & Development Office's *Statistics on International Development, 2023*

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Since 2020, FCDO (and DFID before the merger) has managed three phases of reductions in the amount of ODA it has had to spend.

- In 2020, the COVID-19 pandemic caused a sharp contraction in the UK economy, which translated into a reduced aid-spending target, because it was government policy to meet but not exceed 0.7% of UK GNI.
- In November 2020, the previous government announced it would reduce its ODA contributions from 0.7% to 0.5% of GNI due to the impact of the COVID-19 pandemic on the economy and public finances.
- In July 2022, the previous government implemented a temporary pause in ‘non-essential aid spending’ as a result of unexpectedly high ODA spending on supporting refugees and asylum seekers in the UK.

In March 2022, our report [Managing reductions in Official Development Assistance \(ODA\) spending](#) assessed FCDO’s implementation of the reduction in aid spending from 0.7% to 0.5% of GNI and the extent to which government considered how to protect value for money.

Our conclusions

- The speed and scale of the budget reduction, and the lack of long-term planning certainty, increased some risks to value for money.
- The budget reduction allowed for prioritisation of the highest-value and highest-priority programmes, but programmes performing well also had to be considered.
- The government had a clear approach to, and parameters for, allocating its ODA budget. FCDO took a leading role in the allocations exercise.
- The government’s decision not to consult delivery partners limited the evidence available to make informed decisions.
- It was too early to assess the impact of these changes for long-term value for money.

Our recommendations (see the [NAO Recommendations tracker](#))

- FCDO and HM Treasury (HMT) should identify lessons learned from the 2021 budget allocation exercise. **Accepted/Implemented.**
- FCDO and other ODA spending departments should assess the impact of the reduction and reprioritisation of ODA spending on performance in the short, medium and long term. **Accepted/Implemented.**
- FCDO and HMT should work with other ODA spending departments on scenario planning for a return to 0.7%. **Accepted/Implemented.**
- FCDO and HMT should maintain oversight of ODA spending commitments for future years and use this information to ensure future budgets are not over-committed ahead of time. **Accepted/Implemented.**
- FCDO and HMT should consider how to improve the transparency of ODA spending decisions. **Accepted/Work in progress.**
- FCDO should set out how it intends to measure progress against the aims and objectives in its new development strategy. **Accepted/Work in progress.**

In an [evidence session](#) held by the International Development Committee in December 2023, FCDO acknowledged that lessons learned from this NAO report informed its approach to implementing subsequent reductions in ODA spending. This included the implementation of its pause in non-essential aid spending in July 2022.

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In addition to support through its ODA spending, FCDO provides support in other ways, including through investments and guarantees.

Financial investments

FCDO held financial investments worth £14.4 billion at 31 March 2024 (£13.7 billion in 2022-23). This included:

- investment in British International Investment of £8.8 billion (£8.3 billion in 2022-23) – see page 16; and
- investments in International Finance Institutions (IFIs) of £5.0 billion (£4.8 billion in 2022-23).

All investments in IFIs are denominated in a currency other than sterling. FCDO is therefore exposed to currency risk if the value of these currencies were to fall against sterling. FCDO is also exposed to market risk, as the value of the investments depends on the net assets of the IFIs.

Financial guarantees

The UK Government's Strategy for International Development (2022) outlined FCDO's intention to increasingly use guarantees to unlock more affordable finance for partner countries from multilateral development banks, helping UK ODA go further.

FCDO acts as guarantor for loans, meaning that it is liable for repayment should the borrower default. No ODA is used when a guarantee is issued. ODA is only used if a country defaults to a multilateral bank and the guarantee needs to pay out. The total guaranteed amount outstanding as at 31 March 2024 was £7.9 billion (£4.5 billion in 2022-23 and £0.9 billion in 2021-22).

At 31 March 2024, the largest guaranteed amounts were £3.8 billion to the government of Ukraine, £1.4 billion to the government of India and £1.3 billion to the African Development Bank (AfDB). FCDO expects the [AfDB guarantee](#), for example, to unlock \$2 billion in additional AfDB lending to African countries.

FCDO also calculates a fair value for its financial guarantees. This is a probability weighted estimate of losses that FCDO estimates it may incur against the guaranteed amount outstanding (what FCDO estimates it will actually have to pay). The fair value of guarantees as at 31 March 2024 was £723 million (£478 million in 2022-23 and £153 million in 2021-22).

FCDO calculates a best and a worst-case scenario in estimating the fair value of the guarantees. As at 31 March 2024 this gave a minimum possible fair value of £303.7 million and a maximum possible fair value of £2,973.8 million.

Calls on these guarantees could lead to unpredictable costs in year, and significant trade-offs for a constrained ODA budget.



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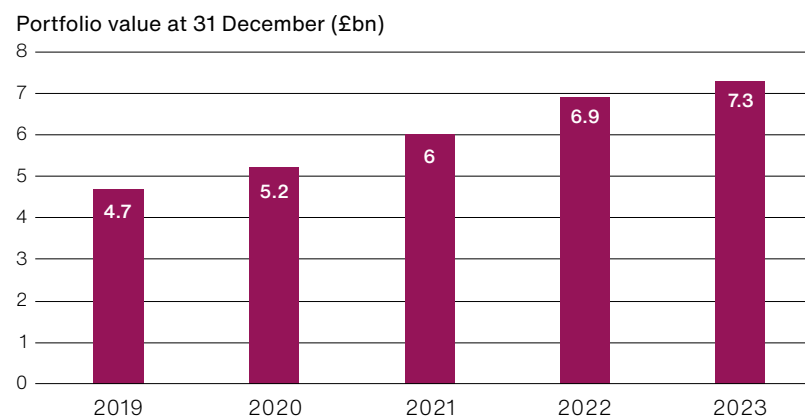
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FCDO invested £4.8 billion in British International Investment (BII), the government's development finance institution, between 2015 and 2023.

BII (formerly CDC) invests in private sector businesses in developing economies across Africa, Asia and the Caribbean, aiming to demonstrate that it is possible to invest successfully and attract commercial capital. FCDO owns 100% of BII and agrees BII's high-level [strategy](#) but has no involvement in its day-to-day decision making. BII's aims under its current strategy include prioritising productive, sustainable and inclusive investments and focusing 30% of its investments in climate finance. The [UK government's white paper on international development](#) (2023) includes mobilising money to finance development as one of its six core areas.

British International Investment's (BII's) portfolio value, 2019 to 2023

The value of BII's portfolio increased by £2.6bn (55%) between 2019 and 2023



Notes

1 BII was known as CDC until April 2022.

Source: National Audit Office analysis of BII's and CDC's Annual Report and Accounts

Key facts and figures for British International Investment (BII) in 2023

Portfolio regional breakdown Africa – 60%; Asia – 34%; rest of world – 5%

Portfolio sector breakdown Financial services – 30%; Infrastructure – 29%; Technology and telecoms – 10%; Health – 9%; Other – 23%

Portfolio breakdown by product Direct equity – 35%; Intermediated equity – 33%; Debt – 30%; Guarantees – 1%

Total companies in portfolio 1,580 companies in 65 countries

See BII's 2023 [Annual Review](#) and [Annual Accounts](#) for more information on BII.

Note

1 Percentages may not add up to 100 due to rounding.

External perspective

The Independent Commission for Aid Impact (ICAI) has ongoing concerns around BII's financial additionality and focus on development impact.

ICAI's 2019 [report](#) on CDC had an amber/red rating, concluding that it did not do enough to maximise the development impact of its investments. ICAI's [follow-up](#) in 2021 found there had been important improvements to CDC's approach to achieving development impact and that CDC was more focused on learning.

However, ICAI's 2023 review of [UK aid to India](#) found that much of BII's investment in India lacked strong "financial additionality" – ensuring it does not duplicate what is available from financial markets – and had not demonstrated a clear contribution to poverty reduction. In its [follow-up](#) in 2024, ICAI found that the government had made positive steps towards improving its focus on poverty reduction in India whilst highlighting other issues that remained.

13 The FCDO estate

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FCDO owns and leases land and buildings all over the world, with around 6,300 overseas buildings including 282 officially designated overseas posts in 179 countries and territories.

As at 31 March 2024, FCDO owned land and buildings worth £1.89 billion, with an additional £721 million of long-term ground leases, giving a total asset base of £2.6 billion.

Since 2010, FCDO has financed the maintenance of its overseas estate from asset sales, though the Permanent Under-Secretary has expressed concerns over this approach and recognised “current maintenance challenges”. The NAO plans to publish a report on [FCDO’s overseas estate](#) in Spring 2025.

Asset sales

Since FCDO’s capital budget was halved in 2010, FCDO has financed the maintenance of its overseas estate from asset sales, including **£1.1 billion from two major sales in Bangkok and Tokyo**. In January 2018, FCDO sold the British Embassy compound in Bangkok for £426 million. In April 2022, FCDO completed the sale of part of the Tokyo Embassy compound that was no longer required, and received £685.7 million after sale costs.

FCDO is taking forward a programme of capital investments (its Global Asset Management Plan). FCDO is engaging with HM Treasury on the best long-term funding model for its overseas estate. The NAO’s [Making public money work harder](#) identifies having an up-to-date plan for maintaining and investing in assets as being a key lesson for government.

Estates refurbishments

FCDO is delivering a programme of capital projects to ensure the overseas estate meets health and safety and operational requirements. Since 2020, the largest of these projects has been the refurbishment of the British Embassy and Residence in Washington. The project faced delays to delivery timescales and increased costs, which FCDO attributed to COVID-19 delays and worse-than-anticipated building condition. This is now in use, with follow-up work due to be completed in 2024-25.

FCDO’s 2023-24 Annual Report and Accounts discloses the top three projects contained within the Assets Under Construction category: the New York Permanent Representative’s Residence, the Mumbai office refurbishment, and Lagos office refurbishments, with current costs of £22.1 million, £10.9 million, and £7.8 million respectively. However, it also states that the majority of projects are at early stages, and that costs will increase in further years.

Leases

Leases are contracts that allow FCDO the use of an asset but do not transfer the asset’s ownership to FCDO. As at March 2024, FCDO had a lease commitment of £694 million.

The vast majority of FCDO’s leases are for operational land and buildings, comprising leases for offices and official residences, and residential post hirings. There are 3,451 residential properties (£366 million gross value), and 320 non-residential properties (£621 million gross value before depreciation) in the portfolio.

The most significant leases and their financial liabilities are:

- **King Charles Street, London:** £326 million held with the Government Property Agency (GPA);
- **UK Mission, New York:** £35.4 million;
- **Abercrombie House, East Kilbride:** £12.6 million held with the GPA (in December 2023, FCDO announced that it would be moving its East Kilbride office to Glasgow); and
- **Abuja compound, Nigeria:** £9.1 million.

14 Merger of the former FCO and DFID

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In March 2024, our report *Progress with the merger of the Foreign & Commonwealth Office (FCO) and the Department for International Development (DFID)* assessed whether FCDO managed the merger effectively and in a way that will maximise its benefits.

FCDO was established in September 2020, with the aim of uniting development and diplomacy and enabling the Foreign Secretary to make decisions on aid spending in line with the UK's priorities overseas.

Summary of key findings

- Implementing the merger during the COVID-19 pandemic made organisational change more difficult, and managing further crises and reductions to the aid budget also affected progress.
- The initial Transformation Portfolio of programmes to deliver the merger was unrealistic in scope and timing. However, FCDO rescoped this to form a slimmed-down Integration Portfolio in 2022, which brought the merger back on track.
- FCDO has completed the alignment of pay structures but still has more to do on overseas allowances, which remains a key issue for staff. The merger has been difficult and disruptive for many staff, although the impact varied across the organisation. FCDO has further to go to achieve longer-term culture change beyond merging teams and IT systems.
- There are examples from across FCDO of where a more integrated approach is achieving benefits. Our overseas case studies also highlighted that the merger made it easier to present a joined-up UK government position, to deploy both development and diplomatic levers in a coordinated way, and influence externally.
- FCDO has increased the accountability and visibility of international development since the merger was announced.
- FCDO does not have a full overview of the costs of the merger. Nor has it systematically tracked benefits from the merger, including cost savings, organisational improvements or efficiencies.



Section 14:Merger of the former FCO and DFID *continued*

Direct costs of merging the Foreign & Commonwealth Office (FCO) and the Department for International Development (DFID), 2020-21 to 2022-23

The Foreign, Commonwealth & Development Office (FCDO) has spent a minimum of £24.7 million on merging its predecessor departments, not including the full costs of the Hera or the Aid Management Platform (AMP) programmes, or any indirect costs

	2020-21	2021-22	2022-23	Total
	(£000)	(£000)	(£000)	(£000)
Annual total	4,982	12,824	6,921	24,728
Of which:				
Transformation Directorate staff pay	3,459	3,475	568	7,502
Transformation Directorate non-pay	606	1,113	102	1,821
Non-Transformation Directorate costs	918	8,236	6,252	15,405
Breakdown of Non-Transformation Directorate costs:				
IT (excluding Hera and AMP)	818	6,439	617	7,874
Legal advice/Professional services	50	-	-	50
Signage	45	8	-	53
Communications	3	-	-	3
Former DFID staff security clearance	2	224	-	226
Relocation of former DFID from 22 Whitehall to King Charles Street, London	-	173	-	173
Staff pay	-	565	358	923
Consultancy, temporary staff and other costs	-	827	5,277	6,103

Notes

- 1 The costs outlined to the left do not include the costs of delivering the Hera or the AMP programmes.
- 2 The Hera programme delivered a new HR and finance system. The Hera programme has a whole-life cost of £101.8 million over a 10-year lifespan. FCDO has assessed Hera costs separately to the costs of the merger, on the basis that the predecessor departments would have had to develop such a system regardless of the merger. As of January 2024, FCDO estimates that £1.5 million of the costs of the Hera programme were directly attributed to the merger. These costs have been recorded under Hera programme costs to avoid double counting.
- 3 AMP is the Aid Management Platform used for managing official development assistance programmes. The AMP Programme has a whole-life cost of £11.8 million. FCDO has excluded the costs of AMP from those outlined to the left on the basis that AMP needed to be reworked to integrate with the new Hera system, therefore former DFID would have borne these costs regardless of the merger.
- 4 FCDO has not sought to track the indirect costs of the merger, and therefore they are not included in the costs outlined to the left. An example of an indirect cost is reduced productivity due to disruption caused by the merger.
- 5 FCDO stopped tracking the costs of the merger in March 2023. FCDO completed all programmes within the Integration Portfolio by April 2023 and now considers any further costs to be part of ongoing departmental improvement work.
- 6 Some costs do not sum due to rounding.

Source: National Audit Office analysis of Foreign, Commonwealth & Development Office financial data

Section 14:

Merger of the former FCO and DFID *continued*

Our conclusions

- FCDO has made substantial progress with integrating structures and aligning HR and finance policies, helping to remove the practical barriers to people being able to work together effectively. However, more than three years on, there is still work to do to resolve remaining issues and ensure these basics are delivered. It will also take time for wider cultural change and new ways of working to settle and become fully embedded.
- FCDO did not clearly articulate or measure the range of anticipated benefits of the merger, and its approach to tracking the costs of the merger was incomplete and changed over time. The estimated direct costs of the merger are small compared to the overall expenditure of the department, but the indirect costs in terms of disruption, diverted effort and the impact on staff morale should not be underestimated. These factors should be considered against the potential benefits ahead of any major change.
- There is also more the centre of government could do to learn lessons from departments' experiences and to better support departments going through major organisational change.
- With unclear objectives, and the absence of mechanisms to track full costs and identify benefits, there is insufficient evidence to conclude on the value for money of this merger. Our assessment has also necessarily focused more on internal activity to deliver the merger, and it may be too early to fully assess the impact on organisational effectiveness and outcomes. However, we have seen evidence of where a more integrated approach has improved the organisation's ability to respond to international crises and events, which has led to a better result.
- FCDO must now move to a phase of consolidation and develop a clear view of the organisation it wants to be, to ensure that it can achieve the long-term benefits of a fully integrated organisation.

Our recommendations

FCDO should:

- Complete its work to align allowances as a matter of urgency, and should also prioritise work to resolve remaining issues with the basics of HR, IT and corporate services provision.
- Continue work to clarify opportunities for career progression within the department and support staff to navigate them.
- Accelerate its work on culture change.
- Implement a revised internal communications and engagement strategy setting out its plan to deliver future organisational improvement, incorporating where appropriate the remaining elements of integration.
- Formally review what was de-prioritised from the Transformation Portfolio when creating the Integration Portfolio, to ensure that nothing has been missed, and build it into future activity.

The Cabinet Office should:

- Ensure there is proper consideration of the costs and benefits of major machinery of government changes and provide longer-term support and guidance to departments facing significant organisational change.
- Routinely gather and disseminate lessons learned from organisational changes across government.

FCDO aims to bring together development and diplomacy to further the UK's foreign policy objectives

Integrated Review

In 2023, the former government published an [Integrated Review Refresh](#) in response to changes in the global context, including Russia's invasion of Ukraine. This followed the 2021 [Integrated Review of Security, Defence, Development and Foreign Policy](#), which set the former government's overarching national security and international policy objectives to 2025; and identified how government could bring all the instruments available to it together (including defence, diplomacy, development and trade) to achieve these objectives as a 'Global Britain'. Whilst the Refresh maintained continuity from the 2021 [Integrated Review](#) across policy areas such as homeland security and tackling the climate and nature crises, it highlighted the need for further investment and a greater proportion of national resource for defence and national security to 2030. The former government set out how it meant to pursue its objectives through the establishment of four 'pillars',

highlighting key policy areas essential to delivering the overall intent of the [Integrated Review Refresh](#):

- shape the international environment;
- deter, defend and compete across all domains;
- address vulnerabilities through resilience; and
- generate strategic advantage.

The [Refresh](#) also set out the former government's new thematic priorities, with climate change, environmental damage and biodiversity loss remaining its first priority. This was followed by sustainable development, changing the global economic order, shaping the emerging digital and technology order, shaping rules and norms of behaviour in cyberspace and balancing the maritime domain. There was also a key emphasis on the security of the Euro-Atlantic being a "core priority" to which the UK would commit the majority of its defence capabilities.

The new government's foreign policy plans include:

- putting growth and jobs at the heart of foreign policy;
- enhancing the UK's security;
- rebuilding the relationship with Europe;
- restoring UK global leadership on climate and nature; and
- modernising the approach to international development.

In [the launch announcement of three expert reviews](#) to strengthen UK's global impact and expertise, the Foreign Secretary said: "From day one I have been clear that we will deliver a pragmatic approach to both diplomacy and development, restoring our reputation overseas and drawing on expertise to help us navigate the great threats and opportunities of today".

The Foreign Secretary highlighted, in his [speech at Kew Gardens](#), that action on the climate and nature crisis will be central to all that the FCDO does: "This is critical given the scale of the threat, but also the scale of the opportunity. The chance to achieve clean and secure energy, lower bills and drive growth for the UK, and to preserve the natural world around us, on which all prosperity ultimately depends".

16 Responding to international crises

FCDO aims for its crisis responses to draw on its range of expertise to provide integrated consular, political and humanitarian support.

FCDO recognised crisis planning and response as one of its key functions in its 2022 [Consular and Crisis Strategy](#). FCDO says it has been working to implement the recommendations from a lessons-learned exercise following the UK's withdrawal from Afghanistan in 2021, including expanding contingency planning capability, reviewing crisis response training and introducing a new workforce agility model to enable redeployment of staff at pace.

FCDO spent £4.2 billion of bilateral ODA on humanitarian aid between 2020 and 2023. It led the government's efforts to prevent the spread of COVID-19 overseas and to support developing countries to tackle the pandemic. FCDO reported the following activities in response to recent international crises:

Ukraine	Sudan	Israel and Gaza	Lebanon
<p>Diplomacy</p> <ul style="list-style-type: none"> • Led efforts to secure a UN General Assembly resolution condemning Russia's invasion and supporting Ukraine's territorial integrity. • Sanctioned 158 individuals and 118 entities under the Russia regime in 2023-24.¹ • Committed £3 billion a year of military support for Ukraine until 2030-31 or as long as needed. <p>Humanitarian and development aid</p> <ul style="list-style-type: none"> • Delivered £223 million of bilateral aid in 2023-24. • 11 million people benefitted from humanitarian funding. • UK agreed to provide £4 billion in guarantees, to enable Ukraine to access World Bank lending. <p>Investment</p> <ul style="list-style-type: none"> • \$60 billion raised to support Ukraine's recovery at the Ukraine Recovery Conference, held in London in June 2023 with ministerial engagement, which FCDO planned and organised. • Allocated up to £250 million from 2024 to British International Investment (BII) to support reconstruction. 	<p>Diplomacy</p> <ul style="list-style-type: none"> • Deployed diplomatic influence to try to bring an end to the conflict and allow unrestricted humanitarian access. <p>Humanitarian and development aid</p> <ul style="list-style-type: none"> • Deployed humanitarian expertise to provide emergency assistance. • Prioritised food security and nutrition in funding allocations. • Provided technical leadership and financial support to global education funds and partnerships to support access to education. • Provided financial assistance to neighbouring countries receiving refugees, including £7.8 million to South Sudan and £15 million to Chad in 2023-24. <p>Supporting British nationals</p> <ul style="list-style-type: none"> • Helped around 2,500 people to leave the country on 30 evacuation flights, as well as by land and sea. 	<p>Diplomacy</p> <ul style="list-style-type: none"> • Engaged bilaterally and in multilateral forums, including the then Prime Minister calling for an immediate pause to get aid in and hostages out, and for a sustainable permanent ceasefire. • Called on Israel to release frozen funds, halt settlement expansion and address extremist settler violence. • Worked with partners to de-escalate regional tension. <p>Humanitarian and development aid</p> <ul style="list-style-type: none"> • Allocated £70 million of funding in response to the Gaza conflict in 2023-24. • Promised £21 million in funds to United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) in July 2024. <p>Supporting British nationals</p> <ul style="list-style-type: none"> • Supported around 1,000 British nationals and others to leave Israel and around 300 to leave Gaza. 	<p>Diplomacy</p> <ul style="list-style-type: none"> • The UK government has engaged internationally, including at the October 2024 Lebanon Support Conference where it reiterated calls for an immediate ceasefire. <p>Humanitarian and development aid</p> <ul style="list-style-type: none"> • Provided £5 million to support humanitarian response, including essential medical supplies, hygiene kits and fuel for water stations, to help thousands of displaced civilians across Lebanon meet their basic needs. <p>Supporting British nationals</p> <ul style="list-style-type: none"> • Supported over 430 British nationals and dependents to leave Lebanon on four UK chartered flights and through arrangements with international partners.

Note

¹ FCDO's 2023-24 Annual Report and Accounts reports 278 total sanctioned individuals and entities. The total reported here is 276 (158 plus 118) as two individuals were subsequently de-listed from the UK sanctions list.

17 Climate change

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Addressing climate change is a priority for FCDO

'Climate change, nature and global health' is one of the four main priorities included in [the UK Government's Strategy for International Development \(2022\)](#). The [UK government's White Paper on International Development \(2023\)](#) has 'Tackling climate change and biodiversity loss and delivering economic transformation' as one of its six core areas.

Paris Agreement alignment

In May 2022, the government committed to align all new bilateral ODA spending with the Paris Agreement – an international treaty on climate change – in 2023. FCDO and other ODA-spending departments met this commitment. FCDO adapted its [Programme Operating Framework](#), which sets the standards for its programme delivery, to require all new FCDO ODA programming to align with the Paris Agreement.

Global summits

FCDO has been active on climate issues in international forums, including at the G7, G20 and COP28. For example, at COP28 in 2023, FCDO helped to secure global agreement on the need to transition away from fossil fuels.

International Climate Finance (ICF)

ICF is the primary instrument used by governments to support developing countries seeking to adapt to the impacts of climate change and to reduce their emissions.

Between 2016-17 and 2020-21, the UK government invested £5.8 billion of ICF. It has pledged to double this figure to £11.6 billion between 2021-22 and 2025-26.

The UK's ICF portfolio has involved nearly 300 programmes worldwide, delivered across four UK government departments, including FCDO. Support ranges from bilateral activities at the country level to investment in multilateral climate funds and initiatives.

Examples of programmes

[Financial Sector Deepening Africa Platform \(2017-2030\)](#): £470 million

This programme aims to drive inclusive growth through grants and development capital investments that build financial markets and institutions and help Africa finance a greener future. For example, FCDO reported that one initiative involving technical assistance will lead to nearly 8,000 households in a remote part of Nigeria getting clean, affordable solar power.

[Global Environment Facility 8th Replenishment \(2022-2030\)](#): £330 million

The UK is providing funding to the Global Environment Facility (GEF), the largest global mechanism tackling major environmental challenges, including climate change. GEF funds programmes to support developing countries to implement international agreements on climate change and other issues.

External perspective

In a February 2024 [report](#), the Independent Commission for Aid Impact (ICAI) expressed concerns over whether the government could deliver on its pledge to spend £11.6 billion between 2021-22 and 2025-26 on ICF. ICAI concluded that the government had "moved the goalposts" by changing the way meeting the target is calculated and reviewing existing spending to include all eligible ICF. This amounted to an additional £1.724 billion categorised as ICF, although this was not additional finance for developing countries.

18 Things to look out for

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Plans for FCDO's ODA budget

In its *Annual Report and Accounts* for 2023-24, FCDO noted that forecasts by the Independent Office for Budget Responsibility show that the principles for a return to 0.7% of GNI confirmed by Parliament in 2021 have not been met in 2024-25.

Government ODA spending rose above 0.5% of GNI in 2022-23 and 2023-24 because the government provided extra money to help meet the costs of supporting refugees and asylum seekers in the UK. FCDO still needed to find savings over this period.

In 2024-25, FCDO is required to find savings of £991 million to continue to manage supporting refugees and asylum seekers in the UK and ensure the UK spends around 0.5% of GNI as ODA.

The UK's future commitments on climate finance

The UK has committed to spending £11.6 billion of International Climate Finance (ICF) between financial years 2021-22 and 2025-26 in the third phase of ICF, known as ICF 3. Previously, the UK spent £9.6 billion between 2011-12 and 2020-21. The UK's ICF portfolio has been delivered across four UK government departments, including FCDO. FCDO aims to help secure an ambitious new global climate finance goal at COP29, to be held in Baku in November 2024.

Forthcoming NAO report: *Investigation into St Helena Airport*, Winter 2024-25

This investigation is an update to our 2016 report, *Realising the benefits of the St Helena Airport project*, which found that the business case for the project was highly sensitive to tourist numbers and spending. It will look at FCDO's support to, and oversight of, the St Helena government's management of the airport and related infrastructure, including:

- what progress has been made realising the airport's intended benefits; and
- what are the current and future arrangements for, and anticipated cost of, operating and maintaining the airport and associated infrastructure on St Helena.

Strategic reviews to enhance the UK's global impact, support growth and maximise the diplomatic and development expertise in international development

The Foreign Secretary has announced three strategic reviews to help reconnect Britain and deliver the UK government's missions internationally. Three appointed external experts will look at:

- the UK's global impact;
- how to maximise the benefits of FCDO's joint integrated development diplomacy model in its development work; and
- FCDO's economic capability in diplomacy.

The outcomes of these reviews are expected to be delivered by the end of the year, with further work on the development review continuing into early 2025. Their aim is to ensure that FCDO remains at the cutting edge of diplomacy and international development.

Forthcoming Strategic Defence Review

In July 2024, the government launched a Strategic Defence Review. The review will consider all aspects of defence, and will cover themes of relevance to FCDO's work, including:

- the strategic context and threat picture facing UK defence; and
- the UK's international partnerships and alliances, and how these can be strengthened in the cause of defence, international security and deterrence.

Forthcoming NAO report: *FCDO's overseas estate*, Spring 2025

The study will examine how FCDO is managing and maintaining its overseas estate. We intend that the report will focus on whether FCDO:

- has a clear overarching strategy to meet its current and future overseas estate requirements;
- is set up to manage its overseas estate effectively, including its governance structures, access to data and information, risk management processes and capacity and capability; and
- is managing its maintenance programme and capital projects effectively.

19 More information about our work on FCDO

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The Certificate and Report of the Comptroller and Auditor General to the House of Commons

25 July 2024

The C&AG, with the support of the NAO, provides an independent audit opinion on FCDO's accounts.

For the 2023-24 accounts, the NAO found:

- the financial statements gave a true and fair view of FCDO and its group's affairs;
- no material errors were identified;
- spending was in line with the intent of parliament; and
- they were prepared in accordance with relevant standards.

See pages 173–185 of the FCDO's *Annual Report and Accounts 2023-24* for the C&AG's Certificate and Report.

Progress with the merger of the Foreign & Commonwealth Office (FCO) and the Department for International Development (DFID)

25 March 2024

Assessed whether FCDO managed the merger effectively and in a way that will maximise its benefits, but did not examine the decision for the merger.

We found that while implementing the merger during the COVID-19 pandemic made organisational change more difficult, FCDO had made substantial progress with removing the practical barriers to people being able to work together more effectively, and there are examples where a more integrated approach is achieving benefits. However, with the absence of mechanisms to track full costs and identify benefits, there was insufficient evidence to conclude on the value for money of this merger.

See pages 18 to 20 of this Overview for report findings and conclusions.

Managing reductions in Official Development Assistance (ODA) spending

31 March 2022

Assessed FCDO's implementation of the reduction in aid spending from 0.7% to 0.5% of GNI and the extent to which the government considered how to protect value for money.

See page 14 of this Overview for report findings and conclusions.

Improving the lives of women and girls overseas

29 April 2020

Examined whether the former DFID took a robust approach to developing its 2018 Strategic Vision for Gender Equality; translated it into practical action; and knew what progress it had made against it.

Concluded that DFID's commitment to tackling gender inequality was ambitious and wide-ranging, and two years into the Department's 12-year vision, individual interventions were already improving the lives of women and girls overseas. However, DFID needed to make significant further progress in getting better management arrangements in place before it could have a good understanding of whether it was on track to secure value for money in this area.