

House of Commons International Development Committee interviews DFID

Description

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Specifically, Nemat (Minouche) Shafik, Permanent Secretary, Department for International Development, and her colleagues, on Tuesday 16 November at 10.30am, on the subject of *DFID in 2009-10 and the Resource Accounts 2009-10*. The proceedings can be viewed here on [Parliament TV](#)

Some of the questions asked:

- You have a sharply rising budget yet your core administration budget is being cut?
- We have expressed concerns about how well can you deliver a rising budget in that situation..
- How are these cuts being applied?
- How do you differentiate between running costs and core administration costs?
- Will you have to spend more money through multilaterals?
- Will you be taking advantage of DFID staff commitments to their work by placing additional demands on them?
- What are the most important risks with this reduction? And how are you seeking to mitigate them?
- People are going to ask, how come they could make such big changes, surely there must have been some bad management in the past?
- There is a concern that costs cutting is the driving force, before you have even decided what you are trying to do, when more of your budget is in fragile states. Our concern is does it compromise your program? Our concern is that you can't say yet because you don't know what your program is yet.
- How are you considering bring more work in-house, from external consultants who are doing it now?
- Do you expect some multilaterals to be rated "poor" in your assessment exercise, and that we would then stop funding such multilaterals?
- and much more?

Some of the replies given:

- DFID is cutting its core administration costs by a third?
- Total operating costs will be going down from 6% to 2%?
- The average amongst the DAC donors is 4.3% for admin costs
- Admin costs have been going down about 5% a year for the last 4-5 years
- Budget has doubled since 2003 but staff numbers have dropped by 20%
- Peak staff numbers were 3000+ , but now below 2000 for some years now
- In the past 1 in 3 were doing corporate work, now it is more like 1 in 5/6 doing corporate work
- We have closed 35 of the smaller offices over the last 5 years
- Focusing now on a smaller number of high priority countries
- We will be asking CSOs we fund to be more transparent about their costs
- Our spending on consultants will be much lower this year, from £19 million last year.

- We have looked at 43 multilaterals, at their performance, scoring them on a 4 point scale, with the aim of funding those at the top of the scale [there are 11 different criteria being used]
- We have not yet taken a view about what to do with poorly performing multilaterals. There may need to be case by case decisions
- The spend on research will go up from 2.6% to 3% in the next budget period
- and much more!

[See also](#) the HoC Public Accounts Committee meeting on Wednesday 10 November, discussing **DFID's Bilateral support to primary education (covered by a NAO report)**

Witnesses: Minouche Shafik, Permanent Secretary, Jo Bourne, Acting Head of Profession, and Liz Ditchburn, Director, Value for Money, Department for International Development. Questions they asked:

- How do you know that it is DFID's spending that is making the difference? (when its contribution to the overall education budget is so small in countries like India)
- Have you done any work at all to assess the impact? Our money, invested through you?
- You cant say "DFID got 5 million into school"
- Where is the evidence that you have made a difference? How do you know that DFID expenditure increased enrollment in Kenya?
- A billion pounds has gone into education, you have to know where it is making a difference.
- and much more, some tough questions, many on attribution!

Re the questions about costs and efficiency, readers may be interested in my blog posting titled: [The Worst Question to Ask About Charity](#)

Category

1. Uncategorized

Tags

1. DFID
2. efficiency
3. Parliament
4. value for money

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