
Ninth Special Report of Session 2014–15

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The International Development Committee
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The Reports of the Committee, the formal minutes relating to that report, oral evidence taken and some or all written evidence are available in a printed volume.

Additional written evidence may be published on the internet only.

Committee staff
The current staff of the Committee are Dr David Harrison (Clerk), Chloe Challender (Senior Committee Specialist), Louise Whitley (Committee Specialist), Richard Ratcliffe (Committee Specialist), Zac Mead (Senior Committee Assistant), Paul Hampson (Committee Assistant) and Rosie Tate (Media Officer).

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Ninth Special Report


Government response

Introduction

The UK Government welcomes the report of the International Development Committee on Parliamentary Strengthening. The Report makes a powerful case for the potential role of parliamentary assistance, including through the use of UK organisations, and is a useful review of DFID’s work in this area.

DFID supports parliaments in developing countries because we agree with the IDC that in many situations parliaments play a central role in open, inclusive and accountable political systems which underpin sustainable poverty reduction. When the circumstances are right Parliaments can ensure oversight and accountability of government; represent citizens’ views; legislate; manage conflict; shape public expectations and attitudes to democracy; and provide constituency services. Parliaments can also help to promote women’s political participation.

DFID is doing a great deal to strengthen parliaments across the world. Since 2010/11, DFID has worked directly with parliaments in three quarters of our bilateral country programmes (21 out of 28 countries), implementing globally at least 37 programmes to strengthen parliaments. DFID is ready to do even more where we can achieve impact; we continue to believe that judgements about whether and how engagement with parliaments will meet our objectives are best made according to the particular context in each country. DFID’s central policy team will continue to improve the availability of tools, analysis and information to support those decisions and make our support as effective as possible.

DFID agrees with the IDC report in highlighting a number of key policy lessons: the importance of context-specific, politically informed approaches (requiring astute political skills and collaboration between DFID and FCO staff); the need for long term engagement with flexibility built in to allow for continuous improvements; the need to combine parliamentary strengthening with support for other complementary elements of political and social accountability, such as support for elections or civil society; the fact that parliamentary support is frequently a low cost intervention best assessed according to strategic impact rather than amount spent; and the significance of party
politics in the design and execution of programmes. We will continue to keep improving our skills, systems and approaches to keep improving our impact in these ways.

DFID also agrees with the IDC that there is potential to highlight even further the importance of parliamentary support, and in particular distinctive and valuable role that UK organisations can play in assisting developing country parliaments. We agree that the role of UK organisations in delivering parliamentary support can be further enhanced.

As part of this support we look forward to working closely with colleagues across Westminster and other UK organisations to help develop a vibrant, healthy market of suppliers providing the best UK expertise, and help our staff in developing countries become aware of this expertise as it grows. With FCO, DFID will: develop a set of strategic principles to guide HMG’s engagement with Westminster organisations; ask Westminster Foundation for Democracy (WFD) to convene an annual policy dialogue for HMG and UK organisations to discuss lessons and approaches; support WFD to work as a hub for Westminster and other UK organisations; and offer an open procurement advice seminar to help Westminster and other UK organisations, small expert organisations and private suppliers understand DFID’s procurement processes.

In each context, DFID will work with the suppliers that demonstrate best potential for impact and value for money. We note the IDC’s points regarding our use of US contractors; we are confident that when we use them it is because they offer expert and appropriately contextualised advice and management services, and frequently work with other local or international organisations.

DFID’s approach to working with parliaments and other parts of the political system is based on lessons from more than a decade of research and evidence on governance systems in developing countries. DFID’s Policy Division will help country offices to draw on this evidence to assess the best way to achieve maximum impact from parliamentary support. DFID will finalise and disseminate the *Parties and Parliaments Draft How to Note* for use by HMG and its implementers and promote learning through a variety of other channels. DFID will continue to work with other international organisations, including the EU, to promote a more coherent and evidence-based approach to international support.
Response to conclusions and recommendations

Note that the recommendations and responses are grouped in a different order to that in the Committee’s report.

**The importance of parliamentary strengthening**

Recommendation 1. DFID is showing global leadership in different initiatives to promote better governance and address a number of the key risks in global development. Its work ranges from lobbying for goals on accountability in the post-2015 MDG framework to developing its own sophisticated country-level anti-corruption strategies. We commend DFID for these initiatives. We urge the Government to continue to press for “accountable, inclusive governments, including strong parliaments” in the post-2015 MDG development framework. (page 15)

Agree. The Open Working Group’s proposals for Sustainable Development Goals are the main basis upon which the final post 2015 MDG framework will be negotiated. Goal 16 includes clear reference to building effective, accountable and inclusive institutions at all levels. DFID considers that this provision should cover all State institutions (i.e. Executives, Judiciaries and Legislatures) as well as private sector institutions, as will be reflected in subsequently agreed indicators. DFID will continue to push for this throughout negotiations. We await the first draft of the new post 2015 goals and targets in July in order to assess the level of consensus on this issue, prior to the new framework being finalised and launched in September.

Recommendation 2. As Lord Norton points out, donors have spent great sums on programmes supporting elections, but these have limited value if they are not followed by effective parliaments. Moreover, parliaments are at the centre of a number of DFID’s priorities, including poverty reduction and economic growth, security, accountability, transparency and anti-corruption work. DFID is recognising the importance of parliaments and the political context in which development operates, but we believe DFID could do more to make the most of the opportunities offered by parliamentary strengthening. DFID needs to consider whether it has the resources, approach, and systems to maximise the value that parliamentary strengthening offers. 2015 is the 800th anniversary of the Magna Carta, and 750th anniversary of the Simon de Montfort Parliament. As the Foreign and Commonwealth Office witness highlighted, this provides an opportunity to reaffirm the value of parliaments in the contemporary world, but also to reassess the UK’s role in promoting democracy and parliaments around the world. (page 15)

Agree. DFID agrees with the IDC that effective parliaments can support achievements of a number of DFID priorities. DFID’s programming in support of parliaments is significant; we will continually review whether we are doing as much as possible to maximise the impact of that work.
DFID will continue to reassess our resources, approach and systems as part of an ongoing commitment to develop our parliamentary support. We will update the How to Note following the IDC’s report, encouraging country offices to consider opportunities for greater engagement with parliaments where they assess it will have impact.

DFID will continue to review whether we currently have the staff and financial resources to implement our work: in 2013/14 alone, DFID spent approximately £22.5m on parliamentary strengthening.

DFID will continue to evolve our approach to parliamentary strengthening, based on understanding the political system in each country and working with domestic efforts for change. We will finalise our How To Note to emphasise the opportunities afforded by parliamentary support, alongside also the need for: understanding the political system, parliament and the politics of parliamentary reform; supporting a shared or self-assessment; setting realistic and clear goals; synchronising support with the parliamentary cycle and ensuring transparency in assistance making sure support is context appropriate. We will build on the local political knowledge and analysis of both DFID and FCO colleagues.

DFID has the systems in place to deliver on parliamentary strengthening. DFID’s new programme management framework, Smart Rules, provides streamlined procedures to promote context-based decision-making, effective risk management and programme flexibility. Most parliamentary strengthening programmes have a degree of flexibility to respond to new needs. In addition, resources can often be found when necessary to support, for example, new opportunities for training or study visits, subject to standard approval processes.

**Recommendation 3.** That DFID recognises the role of parliaments in its work on poverty reduction, human rights, equality, economic growth, security, transparency, accountability and anti-corruption. (page 15)

**Agree.** As the IDC highlights, parliaments can play critical roles in a democracy. They can ensure oversight and accountability of government; represent citizens’ views; legislate; manage conflict; shape public expectations and attitudes to democracy; and provide constituency services. The Prime Minister has spoken about a ‘Golden Thread’ of institutions that underpin stable, inclusive and prosperous societies. The Golden Thread emphasises the importance of political systems and institutions that serve the many and not the few; the accountability of power holders to citizens; and the ability of citizens participate in decisions that affect their lives. An effective accountable parliament is important for long term, sustained poverty reduction and helps people to create the kind of societies they wish to live in.

All development is political, and is about fundamental change in the countries where we work. We recognise that parliaments and parties are significant actors in these processes of development and change. A commitment to strengthening domestic
accountability is one of the four Partnership Principles that DFID uses to inform its aid partnerships. The final How to Note will reflect the important role of parliaments in all of these areas.

Recommendation 4. That DFID includes the role of the national Parliament in each of its country-level anti-corruption strategies when it next revises them. (page 15)

Agree. We recognise parliaments can make an important contribution to combatting corruption and therefore to DFID’s work on anti-corruption in countries where we work. DFID’s country anti-corruption strategies will be updated in 2015. As part of that review, we will look for opportunities to reflect the potential role of parliaments for anti-corruption work, where appropriate and based on analysis of each country.

Recommendation 5. That DFID reports to national Parliaments and their relevant departmental committees its sectoral spending in countries where it has bilateral programmes from 2014–15 onwards, and include its intention to do so in its partnership agreements with recipient countries. (page 15)

Partially agree. DFID agrees that the information on sectoral expenditure is important for both Parliaments and citizens in partner countries. DFID’s spend is transparent and published and we do not consider that a requirement for further administrative agreements with partner governments is necessary. Through the UK Aid Transparency Guarantee, we already publish data on the aid we give to other countries, in line with the International Aid Transparency Initiative. Sectoral expenditure is available online through the Development Tracker, DFID Country Operational Plans and DFID’s Statistics on International Development. DFID continues to work to improve the quality, breadth and uptake of the information.

DFID agrees that there is an opportunity, through provision of open data, to encourage enabling environments for greater accountability and for strengthening citizen voice initiatives (e.g., through CSOs and media, as well as parliaments). Building on our work on transparency and statistical reporting, we will endeavour to make more information available and accessible in open data formats, so it is used more actively, including by national parliaments.

Expenditure

Recommendation 6. We welcome DFID’s increased commitment to parliamentary strengthening. We agree with DFID that its relatively low levels of spending on parliamentary strengthening do not necessarily mean it is a low priority; we are aware that inexpensive projects can be very effective. However, the fact that DFID does not have any governance performance indicators specifically focused on Parliament and that its Annual Report does not refer to parliamentary strengthening suggest this area of work is not a priority. We recommend that DFID develops a Key Performance Indicator for parliamentary strengthening in its
governance pillar for its Governance, Open Societies and Anti-Corruption Operational Plan, as it has for elections and for accountability institutions more generally, that reflects its ambitions for parliamentary strengthening, particularly for its work with parliamentary committees. (page 22)

Agree. DFID will review its use of Key Performance Indicators later this year to ensure they reflect the post-2015 development agenda and the priorities of any new government. DFID uses performance indicators at various levels – for instance, in project logframes, Country Operational Plans, and the Departmental Results Framework. We will continue to select indicators that allow us to monitor results and value for money across our portfolio, including parliamentary strengthening programmes.

In support of the next spending round, the Governance Open Societies and Anti-Corruption Department’s Operational Plan will be revised to cover the period 2016/17 onwards. We will consider opportunities for including parliamentary strengthening within the new plan.

Recommendation 7. That DFID conducts an annual analysis of its global spending on parliamentary strengthening and other areas [of] governance and its performance to ensure its spending and programmes reflect its priorities. (page 22)

and

Recommendation 10. That DFID develops a better understanding of the total resources it is using in its parliamentary strengthening and other governance work, including staff time, and that it assess the viability of improving its systems to allow this, rather than relying on time-consuming manual exercises with country offices. While it requires a better understanding of the resources it devotes to parliamentary strengthening it is clear that DFID is one the largest spenders in this area in the world. (page 22)

Partially agree. DFID recognises the importance of ensuring programmes reflect its priorities. The forthcoming spending review will be an important opportunity to ensure that future resourcing is commensurate with priorities across our governance portfolio, including parliamentary strengthening. However, DFID does not consider that an annual analysis of DFID’s global spending on parliamentary strengthening would add significantly to our understanding of DFID’s overall approach.

Staff time is recorded as part of project documentation in line with OECD DAC guidelines. DFID does not currently aggregate this by sector and has no plans to do so, as we do not judge that such an exercise would add significantly to our understanding, nor would it be a good use of staff time.

Recommendation 8. That DFID includes an analysis of its parliamentary strengthening work in its Annual Report. (page 22)
**Disagree.** There is a risk that adding further sections to DFID’s extensive Annual Report and Accounts would make it unwieldy and inaccessible. Departmental Annual Reports focus on delivery against key objectives and meeting statutory reporting obligations on expenditure.

**Recommendation 9.** That DFID ensures that the resources devoted to parliamentary strengthening compared to elections and other areas of governance reflect its assessment of their respective importance. (page 22)

**Agree.** DFID’s policy is that governance priorities are decided at country level, where advisers have the best understanding of the context. In many countries, this results in a portfolio of programmes and allocation of resources to support aspects of the political system, including civil society, elections and parliaments. The exact emphasis is determined by DFID advisers in-country and reviewed regularly.

As the IDC report acknowledges, effective support to parliaments is not necessarily costly. A direct comparison to, for example, logistical and infrastructure costs associated with elections, may not reflect the full value of parliamentary support. Freer and fairer elections increase citizens’ confidence in the democratic system and result in more representative and accountable parliaments.

**Recommendation 11.** That DFID has more than one specialist working full-time on parliamentary strengthening and that DFID ensures that all its governance advisers improve their knowledge of parliaments and improve their links with the UK Parliament and other Westminster-based institutions. (page 22)

*and*

**Recommendation 24.** DFID improves its ability to act as an intelligent commissioner of parliamentary strengthening both in country and centrally; it should increase the number of specialist experts at the centre and ensure its governance advisers are aware of the importance of parliaments and develop closer links with the UK Parliament. (page 56)

**Partially agree.** DFID agrees that we can enhance the knowledge and awareness of our network of governance advisers regarding the importance of parliaments and the potential for closer links with the UK Parliament. DFID works continually to expand knowledge on parliamentary strengthening, convening international expertise (the How to Note is a good example) and upgrading advisers’ knowledge on parliaments and other aspects of political governance. The 2014 Governance Advisers’ Professional Development Conference included a well-attended session on parliamentary support (a direct response to the IDC inquiry on Democracy and Development in Burma).

The British parliament has important connections, particularly with other parliaments that follow the Westminster model. DFID has already discussed with the Commonwealth Parliamentary Association the possibility of including Westminster meetings as part of some advisers’ induction programmes. IDC recommendations 29-33
for Westminster institutions will also help strengthen connections between DFID and Westminster.

The re-drafted How to Note will further enhance lesson learning. A core network of advisers will be built to share ideas and experiences on parliamentary support amongst advisers globally.

DFID’s policy team working on democratic governance covers a wide range of issues, including parliamentary strengthening, and is resourced based on a judgment about the relative need for resources at the centre and in country offices. We consider current resource levels proportionate, given that DFID’s parliamentary support is largely country-driven through a network of more than 200 country-based governance and social development advisers who work on accountability, including parliamentary strengthening. The role of the central specialist and wider HQ team is to support, rather than oversee, direct delivery of programmes (aside from overseeing the central programme with WFD). However DFID keeps this under constant review.

**DFID’s parliamentary strengthening programmes**

**Recommendation 12.** While DFID has significant numbers of parliamentary strengthening programmes, in 2013–14 it only spent money on parliamentary strengthening in a minority of its bilateral programmes. **We recommend that the DFID/FCO How to Note in its final form adopt a more positive tone and stress the desirability of including parliamentary strengthening programmes in all its priority countries except where there are very powerful arguments for not doing so. We welcome DFID’s recognition that political co-operation is an essential part of parliamentary strengthening: it must not shy away from working with political parties.** (page 39)

and

**Recommendation 14.** There is increasing recognition by practitioners and donors, including DFID, of the characteristics of best practice in parliamentary strengthening programmes. We particularly commend:

- Long term programmes with the ability to respond quickly and flexibly when opportunities arise.
- Combining parliamentary strengthening with associated relevant work, particularly with the media;
- However, combined work it is not necessary part of parliamentary programmes and such work should not be a substitute for them; it can also be appropriate to do strengthening projects working just with parliaments.
- Political awareness in the design and execution of programmes- it cannot be a simple technocratic exercise.
- Recognition that multi-party politics gives voters greater choice and therefore greater leverage over their MPs and governments. This, of course, makes inter-party rivalry a common and welcome feature of a healthy parliament. **DFID’s**
parliamentary strengthening work should not shy away from working with political parties. (page 40)

Agree. DFID welcomes the IDC’s recognition of DFID’s work with political parties and agree we should not shy away from this aspect of governance. DFID is already doing important work with political parties. For example, in Uganda we work on strengthening the capacity of and dialogue between parliamentary parties. In Tanzania, DFID supports political parties to improve the representation of women, youth and people with disabilities in the electoral process. In Bangladesh, DFID has provided support to political parties in being more responsive to citizens; and to strengthen checks and balances on the political process through civil society advocacy for more responsive political institutions. Through WFD, FCO and DFID provide support to UK political parties to conduct approximately 120 interventions to strengthen political parties.

DFID will ensure that the final How to Note is redrafted to emphasise the value of working with parliaments where it will have an impact, stressing the importance of political analysis as the basis for identifying programme opportunities.

Recommendation 13. DFID has few Committee strengthening programmes and we welcome the Minister’s support for work in this area. We recommend that DFID include a parliamentary dimension in all major development programmes (e.g. support for the health committee in a health programme) for any programme above a certain threshold (e.g. £10 million). It should be one of DFID’s key goals to help to create effective parliamentary scrutiny of the Executive, especially in the policy areas in which UK aid is spent; this could strengthen the in-country checks on how effectively British taxpayers money contributes to the achievement of the country’s development plans. (page 39)

Partially agree. DFID recognises the importance of parliamentary committees and DFID has an extensive set of programmes which support them. Of DFID’s parliamentary strengthening programmes listed in evidence to the IDC, more than half (21) have involved support to committees. These include three programmes supporting public accounts committees in Rwanda, Sierra Leone and Tajikistan, one programme supporting the health committee in South Africa, two programmes strengthening security committees in DRC and South Sudan and two programmes supporting legislative committees in Burma and Somalia. There are a further thirteen programmes supporting cross-parliament committees (including public accounts, women’s, petroleum, legislative committees and more) in more than 11 countries (for example, Bangladesh, Jamaica, Ethiopia, Ghana, Kenya, Kyrgyzstan, Libya, Iraq, Nigeria, Pakistan, Tanzania).

DFID strongly supports greater accountability, including through parliamentary scrutiny and oversight in sectors such as health or education where UK Aid is significant. The UK has four Partnership Principles which inform and shape our overall
strategy for engagement in the countries that we directly support, in particular informing the extent to which and the manner in which we work with the government in that country, for example through sector budget support to the health and education sectors. One of the Partnership Principles concerns the government’s commitment to strengthening domestic accountability in the country. This includes the role of parliament.

Effective parliamentary oversight is unlikely to be achieved with prescriptive targets and requirements in sector programmes and must include an assessment of its effectiveness and value for money. In some contexts, our analysis may tell us that other opportunities to increase accountability and oversight might be more effective, such as working with ombudsmen, commissions, civil society or media. Country offices are best placed to understand the wider context and make these decisions according to the political and donor environment.

**Recommendation 15.** We welcome DFID’s policy shift towards a more political approach to development, and the fact that it is making work with parliaments a higher priority, but we note that there is some concern that while DFID is proud of the political economy analysis it undertakes, its monitoring, results and logframe processes prevent it from making full use of the analysis in the way it implements programmes. We welcome DFID’s recognition of this and recognition that it needs to make changes in the way it evaluates programmes. **We recommend that DFID ensures it has the right processes and incentives for staff to implement programmes with the characteristics described in the chapter.** (page 40)

**Agree.** In June 2014 DFID introduced a streamlined operating framework – Smart Rules, which governs all programme spend. It incentivises staff to design and manage high quality programmes that are flexible, rooted in strong partnerships and in line with the characteristics described in the chapter. Ahead of the next planned update of the Smart Rules in July 2015, we will consider whether any changes are needed to ensure even stronger adherence to the characteristics described.

**Recommendation 16.** That DFID and the FCO develop a long term and realistic approach to evaluating parliamentary strengthening programmes. **We recommend that DFID and the FCO jointly undertake a study of what they have funded and what has worked.** (page 40)

**Partially agree.** DFID agrees that it is important for DFID and FCO to have a long term and realistic approach to evaluating parliamentary strengthening programmes. In DFID, monitoring takes place throughout the programme cycle, culminating in annual reviews and a project completion review, where projects are assessed against the results framework and annual milestones. In some programmes, external evaluations are also commissioned. FCO and DFID are encouraging Westminster Foundation for Democracy to evaluate its work more rigorously.
We will undertake a broader study that identifies lessons from a range of programmes, regardless of donor or funding mechanism. This approach was recommended in Carnegie’s submission to the IDC. A USAID evaluation of parliamentary strengthening programmes is currently underway. We will wait for the outcome of this study to identify further research gaps. It may be helpful to commission new research alongside other donors. We also note WFD’s proposal in its new Strategy to include a post addressing research and learning, and look forward to collaborating in future to identify possible research areas.

Recommendation 17. While there can be excellent co-ordination between the FCO, DFID and others locally, as we saw in Burma, this is not always the case centrally. We welcome the Minister’s recognition of the need for discussions between the FCO, DFID and others, clarifying how HMG sees its role in parliamentary strengthening and its priorities, geographically and thematically, but we recommend that the Government go further establishing a strategy for promoting democracy and parliaments to help coordinate the wide variety of UK bodies and set priorities for those working on parliamentary strengthening. We endorse Alistair Burt’s proposal that there should be more discussions between Government and practitioners about these issues. (page 40)

Agree. There is good coordination between DFID and FCO centrally as well as at country level. Notable examples include our joint work with the Westminster Foundation for Democracy, support to the Arab Partnership and joint How to Notes on elections, party and parliamentary support.

The UK Government agrees that a set of strategic principles could be beneficial to help coordinate the wide variety of UK bodies, and to set priorities for those working on parliamentary strengthening. We propose working with WFD to develop principles on HMG and Westminster organisational support to parliaments. DFID will work with WFD to convene regular policy dialogues between HMG and UK practitioners on coordination and lesson learning in parliamentary strengthening.

Commissioning and Strengthening Westminster and UK Institutions

Recommendation 26. The Westminster ‘brand’ is a national asset and Westminster institutions are in demand, especially, but not only, in countries with a Westminster-style parliamentary system. Moreover, Westminster institutions are well placed to work with ‘southern’ partners. However, DFID is failing to make adequate use of Westminster-based institutions. This is largely a matter of scale. DFID is used to working with large contractors; the average budget for the 37 DFID programmes which include a parliamentary strengthening component is £14.1 million, which is far larger than the total annual budgets for all of the Westminster organisations combined. In addition, sometimes its governance advisers’ rarely have a parliamentary background and lack knowledge of Westminster. We believe that DFID has failed to support the development of a world beating UK capacity to
strengthen parliamentary institutions abroad, and have failed to capitalise on the global respect and demand for the Westminster brand. We believe that DFID should address these failings. We recommend that DFID and the FCO recognise that the Westminster brand is a national asset for its parliamentary strengthening work and make this clear in advice to its governance advisers, particularly in their joint How to Note. (page 68)

Agree. DFID recognises the value that British experience brings, both from Westminster and increasingly from the devolved administrations. The British parliament has important connections, particularly with other parliaments that follow the Westminster model. In some cases – such as Afghanistan, DRC and Uganda – large providers have been good at drawing in and scaling up contributions from UK institutions, such as WFD and Global Partners Governance.

DFID’s primary consideration in any programming is securing the best impact and value for money – often that means having capacity to manage multiple donors and inputs, a track record of delivery, strong technical expertise (which may point to UK expertise) and the right relationships in that country setting. The Business Case for each programme assesses these considerations, and identifies the best option for programme delivery.

We will revise the joint How to Note in consideration of the findings of the IDC.

Recommendation 27. DFID make more use of Westminster organisations, especially where there is a demand for their expertise. (page 68)

Partially agree. DFID endorses the potential use of Westminster organisations and recognise the value that British institutions bring, especially where there is demand and expertise. DFID’s primary consideration must be to get the best impact and value for money for the UK taxpayer and recipients of the UK development programme. We choose the most appropriate supplier regardless of nationality. Demand for expertise is based on a strong track record and high quality advice. The UK Government will encourage the Westminster organisations to strengthen their offer and help communicate that offer to DFID and FCO networks.

Recommendation 18. DFID puts a high value on good project management skills and prefers to commission large governance projects of which parliamentary strengthening is a part. As a result it tends not to commission small specialist organisations, but provides large contracts to big sometimes non-specialist organisations which subcontract to others. We see the advantages of using large organisations such as the UNDP for its parliamentary strengthening work in some circumstances, e.g. where a several donors are involved or in some FCAs. We were, however, surprised to discover the extent to which DFID uses large US organisations, which are alleged to have an unfair advantage because of the CEPPs system; this runs the risk that UK taxpayers’ money is being used to promote a switch from
parliamentary to less accountable, US-style Presidential systems. We recommend that DFID support the development of world-class suppliers in the UK, and over a five year period substantially increase its use of UK suppliers where there is a clear demand for them. (page 55)

and

Recommendation 25. DFID support the development of world class suppliers in the UK. (page 56)

and

Recommendation 28. DFID should set a goal for delivering a significantly greater proportion of its parliamentary strengthening work by UK-based institutions within 5 years. (page 68)

Partially agree. DFID recognises that the Westminster tradition is unique, and that there are a number of UK organisations that offer parliamentary strengthening expertise. With the IDC, we recognise that improvements need to be made to the provision of that expertise (see pages 68-69 of the IDC report) and look forward to seeing responses of relevant organisations to these recommendations.

DFID does not set targets for the country of origin of organisations that deliver work on its behalf. Tying aid would be inconsistent with the requirement under the International Development Act that development assistance is for a development purpose and to reduce poverty.

DFID is committed to developing the capacity and capability of all its suppliers to ensure that they deliver value for money. DFID’s Procurement and Commercial Department (PCD) holds regular events for UK suppliers, sometimes jointly with UK Trade and Investment (UKTI) or BOND (the UK umbrella for organisations working in international development), to present DFID’s procurement processes and highlight commercial and operational priorities. They provide guidance on how UK suppliers can compete for DFID work through bidding for centrally issued contracts, become a supplier for DFID’s Procurement Agents, or be included in one of DFID’s Global Frameworks. DFID currently operates ten Global Framework agreements which cover a range of thematic areas and include a significant number of small and medium suppliers. PCD is currently reviewing the Frameworks, partly to make them even more accessible to SMEs when they are next retendered in 2015/16. DFID also works closely with UK NGOs to help to build their capacity and capability through quarterly events with BOND.

DFID will look at opportunities to host a supplier information event for UK organisations working on parliamentary strengthening, to complement other supplier events that are planned or have been held.

Recommendation 19. DFID does not know how its commissioning is affecting providers in the parliamentary strengthening sector; we recommend that it acquires this information and tracks which subcontractors are receiving its funds. (page 55)
Partially agree. Details on sub-contractors are captured in contracts, but these are not currently recorded systematically in DFID’s central contracting systems. To obtain this data at present would require a manual review of all contracts and would not represent the best use of limited administrative resources. In 2015, DFID’s Procurement and Commercial Department (PCD) will identify options to address this issue so that DFID can more easily determine how commissioning is affecting sub-contractors in all sectors including parliamentary strengthening.

DFID is already taking steps to encourage suppliers and their sub-contractors to provide more information to the International Aid Transparency Initiative (IATI) Registry, and link this to projects on the Development Tracker. Since 2 February 2015 all DFID contracts require DFID lead suppliers’ and their immediate sub-contractors to publish data on IATI. This enables DFID and any other interested parties to track who receives UK Aid and for what purpose.

Recommendation 21. We recommend that DFID commission more expert organisations; and take a more hands-on approach to managing parliamentary work. (page 56)

Agree. DFID works with a range of implementing partners to strengthen parliaments. Choices about partners include an in-depth analysis of the partners’ levels of expertise, technical knowledge and credibility in a particular country. DFID looks to work with organisations which are able to undertake context analysis, develop strategic plans and implement large programmes with long-term technical engagement. Programmes need to be flexible and adapt to changing political contexts.

DFID’s approach to parliamentary programmes includes close financial management, monitoring of results and progress, and engagement at the strategic level and through regular political dialogue. We will keep this approach under review and look for opportunities to further strengthen our hands-on management.

Recommendation 23. When DFID has to commission larger suppliers, it nominates expert organisations to which larger suppliers should sub-contract; we welcome UNDP’s willingness to do this, but DFID needs to ensure that too much is not top-sliced by the larger supplier. (page 56)

Partially agree. DFID agrees with the recommendation to continue to try to reduce management overheads. DFID’s Commercial Strategy ensures that individual funding arrangements consistently deliver increasing quality and value for money. The strategy emphasises the selection of the most appropriate supplier based on of value for money, including careful scrutiny of all management overheads. Over the past four years, DFID has delivered significant efficiency savings from contracting, use of multilaterals and NGOs. For 2013/14, DFID recorded £117 million in supplier efficiency savings. For 2014/15, the savings figure is currently £106 million.
Under UK and EU procurement regulations, DFID cannot nominate suppliers or require that they use specific sub-contractors. Suppliers compete for work and propose their own ‘best offer’ of technical expertise and delivery team. We will review whether there are opportunities to assist parliamentary strengthening organisations to partner with larger suppliers.

Recommendation 20. The EU spends significant sums on parliamentary strengthening; the UK taxpayer contributes about 15% of this. We are seriously concerned by the criticisms we heard of the EU commissioning in this area, including the use of non-specialist contractors which are adept at navigating the institutions labyrinthine procurement procedures and its willingness to pay far more than is needed. DFID points out that the Multilateral Aid Review gave the EU a good rating, but this does not mean that it is good across the board. **We recommend that DFID examine the allegations and in the light of its findings press for reform.** (page 55-56)

Agree. We will investigate any specific allegations we receive from the Committee.

Recommendation 22. That a joint DFID/FCO fund be established to commission expert organisations; this would also enable work to be commissioned at short notice when opportunities arise. A joint fund would combine the differing and important skills of the two departments. The fund could be on a similar scale to the £21.4 million which BBC Media Action received as a global grant from DFID in 2013–14. (page 56)

Disagree. DFID’s policy is to be country led and for funding decisions to be made by advisers in country offices who have the best understanding of the political context where they work. The Westminster Foundation for Democracy is proposing to take forward a ‘consortium approach’ which may allow a greater number of Westminster organisations to collaborate and bid for funds.

HMG missions may also be able to use the Conflict Security and Stability Fund (CSSF) to respond flexibly and responsively to the need for parliamentary support if this will contribute to reducing conflict and building stability.

Recommendation 34. During 2015, the FCO and DFID should use the occasion of the anniversaries of the Magna Carta and the Simon De Montfort Parliament to promote the rule of law, the importance of parliaments and the value of Westminster organisations. (page 69)

Agree. The FCO already has significant work underway to celebrate the anniversaries of the Magna Carta and the Simon de Montfort Parliament. Through their public diplomacy efforts, UK High Commissions and Embassies worldwide will amplify the messages of the Magna Carta 800th Commemoration. HMG has contributed £1 million
to the MagnaCarta800 Committee to support its celebrations. In February 2015, the Global Law Summit brought together the UK Government, the legal sector and business to celebrate the 800th anniversary of the Magna Carta and to explore how its values could help achieve contemporary legal, commercial, political and social goals.

Recommendation 29. However, changes should also be made at Westminster. DFID and the FCO are confronted by a host of institutions at Westminster. We recommend that the organisations at the Houses of Parliament be better coordinated with a single point of contact. Consideration should be given to revisiting the establishment of an International Relations Directorate. (page 68)

Recommendation 30. The Houses of Parliament and other UK institutions ensure that they have adequate capacity to undertake parliamentary strengthening work as this grows. The Public Accounts Commission considers whether the NAO has adequate capacity to do parliamentary strengthening as Parliament directs. (page 68)

Recommendation 31. Consideration be given to the establishment of a Westminster ‘hub’ which would bring together UK institutions with different kinds of expertise, including the media, the law, and financial scrutiny, and enable them to cooperate rather than compete, and would be able to undertake larger projects. (page 69)

Recommendation 32. As DFID places great emphasis on ‘its suppliers’ demonstrating evidence of their impact, Westminster institutions work with DFID to establish sensible non-bureaucratic ways to demonstrate the value and impact of their work. (page 69)

Recommendation 33. We welcome the changes which WFD is undertaking under its new CEO. To assist these reforms we recommend WFD form closer links with the Houses of Parliament; and that options be explored to second staff from Parliament to WFD and vice versa. (page 69)

Recommendations 29-33 are for Westminster institutions rather than the UK Government and DFID looks forward to seeing their response.