



How should the Foreign Office change now?

Tim Durrant and Jordan Urban

Summary

At the outbreak of the war in Ukraine, the Foreign, Commonwealth and Development Office (FCDO) was already reeling from Brexit, the pandemic and the evacuation of Afghanistan. It had also, within the previous 18 months, undergone a merger: the Foreign and Commonwealth Office (FCO) and the Department for International Development (DfID) were merged – once again – to bring together foreign policy and aid.

The point of the merger, Boris Johnson said, was to “unite our aid with our diplomacy and bring them together in our international effort.”¹ This was an explicit reversal of the approach taken by the first secretary of state at DfID, Labour’s Clare Short.²

This paper looks at how the Foreign Office has changed across six tumultuous years for UK politics, how it has performed while undergoing those changes, and what it needs to do now to ensure it can deliver the government’s new foreign policy priorities. It is based on interviews with current and former officials and foreign policy experts as well as publicly available information from the department, select committees and media reports.

Introduction

The Foreign Office has faced a particularly testing six years. The result of the EU referendum meant that the UK's policy towards Europe changed overnight, but it was the (then) newly created Department for Exiting the EU (DExEU) that was given the lead on this, rather than the FCO. After Johnson, a former foreign secretary, became prime minister and secured parliamentary support for his Brexit deal in January 2020, DExEU was wound up and around 100 of its staff moved to the Foreign Office. But full responsibility for UK–EU relations did not return to the department, and it was only after Lord Frost resigned from his role in the Cabinet Office in December 2021 that it assumed the lead role in dealing with the implications of the 2016 vote.³

During that period, in June 2020, Johnson announced the merger between the FCO and DfID, which officially came into effect in September of that year. However, like all departmental reorganisations, the work of getting the department, its staff and systems up to speed continued for months, and some work still continues.

In 2021, when the Taliban retook the Afghan capital Kabul at the conclusion of the two-decade war in the country, the department co-ordinated the evacuation of British personnel, citizens and others approved to come to the UK. The evacuation effort, however, exposed serious failings in the department: the Foreign Affairs Committee (FAC) described it as a “disaster” and criticism was also levied at the foreign secretary and permanent secretary, who were both on leave as Kabul fell.⁴ Just six months later, in February 2022, Russia's invasion of Ukraine piled yet more pressure on the department.

Amid all of this the government has pressed ahead with an ambitious foreign policy agenda. With such a large workload in such an unstable geopolitical environment, it is crucial that the UK's main foreign policy department is able to meet the sizeable challenges it faces. This paper offers insight as to how it can do this.

How has the Foreign Office changed in recent years?

The 2021 Integrated Review was the government's attempt to turn 'Global Britain' from slogan into reality

Brexit and the subsequent negotiations over the UK–EU future relationship took place in a geopolitical environment that, after the relative stability of the late 20th century, was increasingly uncertain. This instability of the international system has been placed into even more stark focus since the UK formally left the bloc, by the Taliban's retaking of Afghanistan in August 2021 and Russia's invasion of Ukraine in February 2022. These events, alongside other global trends including the rise of China and shift to a 'multi-polar' world, the continued fight against climate change and the sustained global impact of the coronavirus pandemic have all led to questions about the UK's role, and status, in the world order.

Leaving the EU was framed by leading pro-Brexit politicians as an opportunity to reset Britain's foreign policy. Britain took back sovereign responsibility for trade and gained some 'strategic autonomy' from the EU, allowing it to act more independently in foreign affairs. Proponents argued that this would allow Britain to establish closer trade and diplomatic relationships with international partners like the US and Commonwealth countries, and act more nimbly on the global stage.

Boris Johnson, on becoming foreign secretary in the aftermath of the 2016 referendum, coined the slogan 'Global Britain' to encapsulate what was billed as a shift from a predominant focus on Europe to a geographically broader approach.⁵ In the years since, the government has been repeatedly criticised for its lack of specific policy objectives to support this slogan or a coherent vision of the trade-offs Britain should be willing to make as it adjusts to life outside the EU.^{6,7,8} It was in this context that the government published its 2021 strategy document, *Global Britain in a Competitive Age: the Integrated Review of Security, Defence, Development and Foreign Policy*.⁹

Intentionally a wide-ranging paper – with such topics as the role of biodiversity in maintaining national security, and the UK's approach to addressing economic crime while emphasising the role of science and technology in the geopolitical contests of the future – the Integrated Review contained the first comprehensive outline of British foreign policy since leaving the EU. Attempting to inject an element of prioritisation, the document's central foreign policy theme was an explicit "tilt" to the Indo-Pacific region, described in the review as "the crucible for many of the most pressing global challenges". It describes a world where the "geopolitical and economic centre of gravity [is] moving eastward towards the Indo-Pacific" and sets out a plan for Britain's foreign policy to adjust its focus accordingly.

This tilt is replicated in the Foreign Office's outcome delivery plan (ODP), which set out three priority outcomes for the department's activity in 2021/22. The sole mention of a specific regional priority within those priority outcomes was a commitment to achieving Association of Southeast Asian Nations (ASEAN) dialogue partner status. Furthermore, the ODP's introduction states: "Global Britain will be more active than ever on the international stage – in particular in the Indo-Pacific."

Another central theme of the Integrated Review was the threat from Russia. The document described Russia as "the most acute threat to our security", continuing the trend of tougher language on state-based threats that first appeared in the 2015 National Security Strategy and Strategic Defence Review. But there was a conscious effort to ensure that emphasis on Russia was not to the detriment of attention on the Indo-Pacific. This was government policy even before the Integrated Review; as the then foreign secretary, Jeremy Hunt, told the Intelligence and Security Committee in 2019:

"One of my concerns is that some of the short-term problems that Russia is causing us that we are having to address is actually crowding out thinking that we need to be doing on the longer-term changes to the international order, namely the rise of China."¹⁰

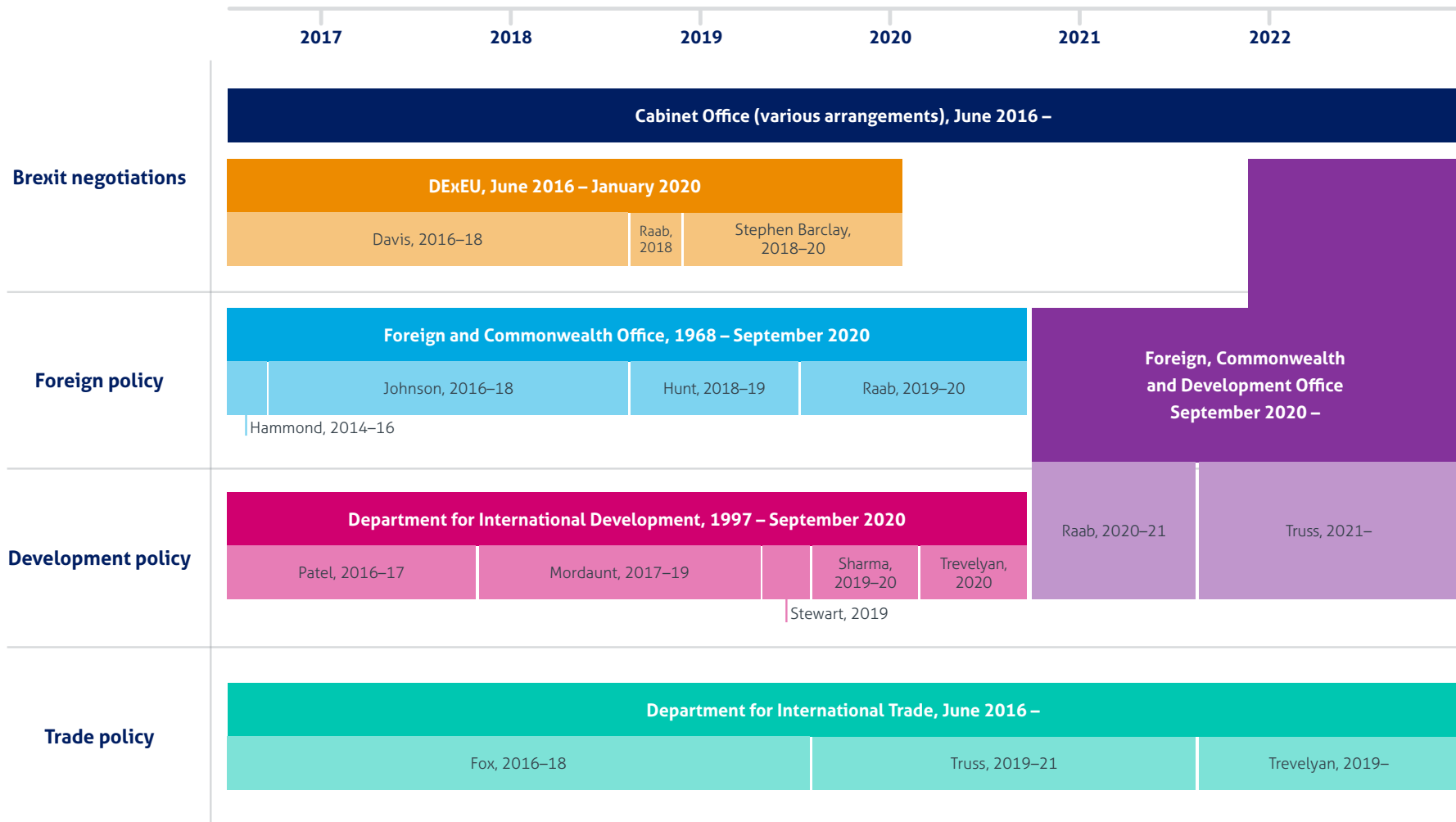
In one sense, the Integrated Review indicated a much-needed sense of policy prioritisation, with a clear focus on the Indo-Pacific. But this sense of prioritisation was purely geographical. As the [Institute for Government](#) noted on publication of the review, there remained little practical sense of how a 'Global Britain' would resolve more complex policy-specific tensions – for example, the extent to which the need to reach global net zero means engaging with authoritarian states like China and Russia.¹¹

More recently, the department published its International Development Strategy.¹² Encompassing economic and trade policy, it set out plans to spend more aid money bilaterally – in a specific country – rather than multilaterally through global organisations like the United Nations. It also set out specific policy priorities, including on women and girls, health and climate. The strategy was criticised for “over-promising and under-delivering”, and falling “significantly short of what is required” by former permanent secretaries of both pre-merger departments.¹³ Setting the strategy is, of course, only the first step – the department also needs the people, money, skills and structures to make the strategy a reality.

The Foreign Office's responsibilities have grown with each reform

As foreign policy objectives have changed, so have the structures tasked with delivering them. The Department for Exiting the EU was initially in charge of Brexit strategy, but responsibility for different aspects of the process of leaving the EU moved around Whitehall throughout May's tenure and the early part of Johnson's. The Department for Exiting the EU's was disbanded on 31 January 2020, the day the Brexit 'divorce agreement' came into force, with 100 of its staff moving into the Foreign Office. The merger was announced six months later.

Figure 1 Policy responsibilities for FCO, DExEU and DfID since 2016



Source: Institute for Government analysis.

As previous Institute for Government research has found, changes to the structure of government departments take a long time to work through. Practically, they raise questions of aligning pay scales, security clearance and other HR and financial systems. In many previous cases, it has taken at least two years until the new organisation is fully up and running, and the latest incarnation of the Foreign Office is no different. Evidence to parliament from whistle-blowers revealed that the IT systems used in the two former departments were still not interoperable by August 2021, nearly a year after the merger. This is not uncommon and was something that further hindered the Afghanistan evacuation.

Beyond the practical difficulties of creating one new organisation from two, there are more intangible problems related to the culture of the new body. DfID and the then FCO had markedly different organisational cultures – as recently as March 2022 Lord (Simon) McDonald, permanent secretary of the latter until the merger, told a House of Lords committee: “A new culture has to emerge and is still in the process of doing so.”¹⁴ Given the intention of merging aid back into overall foreign policy, this new culture will presumably see the assimilation of a specific aid and development cohort into the wider foreign policy department.

Other signs that the merger is still a work in progress came with the announcement in March that many of the department’s most senior roles were changing, with a new second permanent secretary role created and the responsibilities of several directors general changed. At the same time, Moazzam Malik, a director general who had a long career in DfID, as well as senior experience in the FCO, announced he was leaving the department. Malik had worked across DfID, including overseeing the UK’s bilateral development work, its work in western Asia, and its humanitarian work, as well as in the FCO as ambassador to Indonesia.

Part of the staff change was to respond to the war in Ukraine, according to an internal email leaked to the press.¹⁵ The changes also included the appointment of Nick Dyer as director general for development and humanitarian, a role the foreign secretary, Liz Truss, later described as “a really important part of” improving bureaucratic processes inside the Foreign Office.¹⁶

That there were such wide-reaching changes to the department’s top management showed that the previous arrangements, set up during the merger, were not working as intended. And that seven of the nine current directors general are former FCO employees, as are both permanent secretaries, will not have helped to reassure former DfID staff that the merger is not in effect a takeover.¹⁷

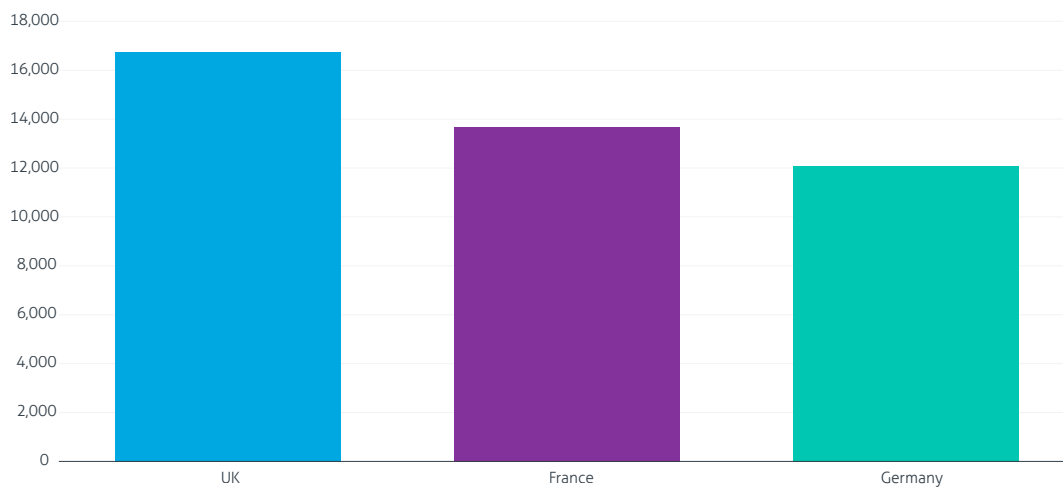
The merger is not the only recent event that has expanded the remit of the department. When Lord Frost, minister for Brexit at the Cabinet Office, resigned from the government in December 2021, responsibility for ongoing negotiations with the EU over the Northern Ireland protocol moved to the Foreign Office. A new unit was set up to manage the protocol and James Cleverly, the then Europe minister (a role now held

by Graham Stuart), was made responsible. These changes mean that the FCDO has more responsibilities than the previous FCO and DfID, with fewer ministers to manage the policy workload.

Overall staff numbers have slightly increased but overseas capability remains reduced

In the aftermath of Brexit, and until the merger of the two departments, overall staff numbers across the FCO and DfID went up slightly. In 2016 the combined number of staff was 15,386; in 2021, after the merger, it was 16,732.^{18,19,20} This means the current Foreign Office has more staff than equivalent ministries in France and Germany.^{21,22}

Figure 2 **Foreign ministry staff numbers, UK, France and Germany**



Source: FCDO Annual Report 2020-21, French foreign ministry 2021, German foreign ministry 2022. Notes: The French foreign ministry controls a wider area of policy than the FCDO – alongside traditional diplomatic functions its remit spans aid, trade, some cultural and educational programmes and French media abroad. The German foreign ministry controls a smaller area of policy which does not include aid or trade. Data is latest available at time of publication: French numbers are from 31 December 2021, German numbers from February 2022.

However, despite the overall numbers, one criticism of the Foreign Office has been the decline of its capability abroad. This has been the result of a decrease in the number of UK-based (UKB) civil servants on overseas placements and a corresponding increase in reliance on locally engaged labour.

UKB staff are much less likely to be posted abroad than previously. This is a recent trend. In 1998, the year after DfID's creation, just over half of Foreign Office UKB staff (52%, 3,086) were posted abroad.²³ By 2021, the year after the merger, the figure for the new department was only 29% (around 2,165).²⁴

It is cheaper to employ locally engaged staff than to send UKB civil servants overseas, and they can provide a valuable local perspective to British operations.²⁵ But hiring them for roles previously occupied by UKB civil servants comes with problems. They do not have the same security clearance and level of diplomatic immunity as UKB staff and adhere to local labour laws, including on working hours.²⁶ While often this is a minor inconvenience, local staff are less able to support work in sensitive situations – often

the most important. For example, it is not practical (and in some cases possible) to quickly send them to other parts of the UK's diplomatic network to deal with a crisis in the way it would be possible to do with UKB civil servants.

This reliance on locally engaged staff compares poorly with Germany. As of February 2022, around half (51%) of the German foreign ministry's Germany-based staff – 3,048 people – were based abroad.²⁷ We have not been able to find definitive equivalent numbers for France.

The Foreign Office's reliance on locally engaged labour has led to a decline in Britain's capability abroad. As Professor Michael Clarke, former director general of the security and defence think tank Royal United Services Institute (RUSI), put it, in recent years there has been a "self-evident shrinkage in the depth of [Britain's] foreign engagement and routine work [overseas]".²⁸ It has also been to the detriment of policy makers in London. Sir Ivor Roberts, a former ambassador to three countries, argued that having such a large proportion of UK-based staff in London means that "not enough [people are] out in various parts of the network gaining valuable experience [abroad]".²⁹

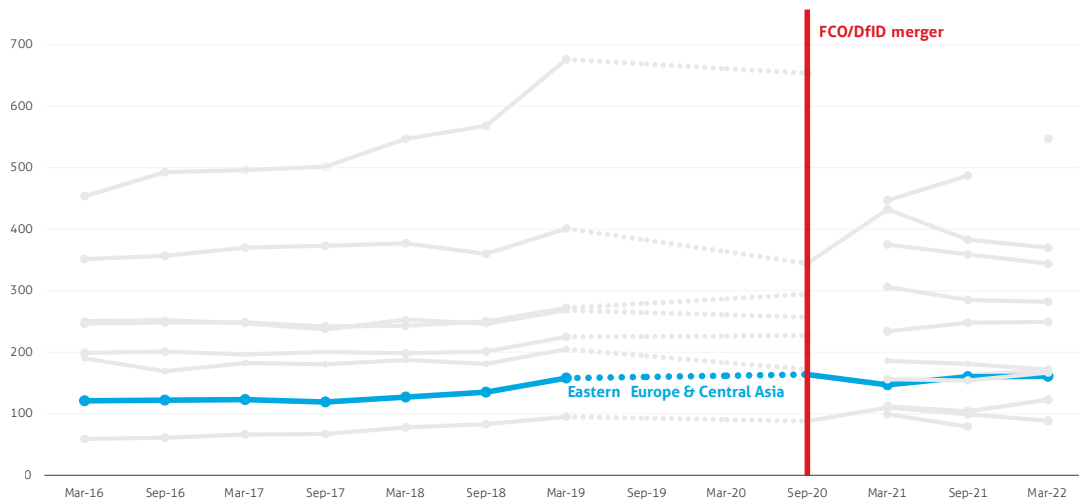
The Foreign Office has focused more resources on the Indo-Pacific than Russia

Reflecting the Integrated Review's tilt to the Indo-Pacific, the latest available Foreign Office departmental organogram shows the number of full-time equivalent (FTE) staff who work in the three units dedicated to the region was around 460. This is almost three times the size of the – single – Eastern Europe and Central Asia unit (approximately 160), which handles Russia policy.

The Institute has argued that the war in Ukraine requires the UK, and democratic nations more generally, to review its approach to Russia. But this is hindered by the relatively small team dedicated to it. This is not new; as many interviewees for this paper noted, and observers have commented publicly, after the Cold War there was a 'moment of hope' and a belief that the worst of the Russian threat had passed.³⁰ Diplomatic expertise on the countries of the former Soviet Union was reduced.³¹ Ambitious members of the Foreign Office specialised in other fields, such as the Middle East and China.³² This decline in expertise on Russia and its neighbours was noted in 2014 after Russia's invasion of Crimea by Sir Nigel Sheinwald, former UK ambassador to Moscow, who said: "When the [Crimea] crisis happened, there was a problem in the Foreign Office; the old Cold War cadre of people just wasn't there."³³

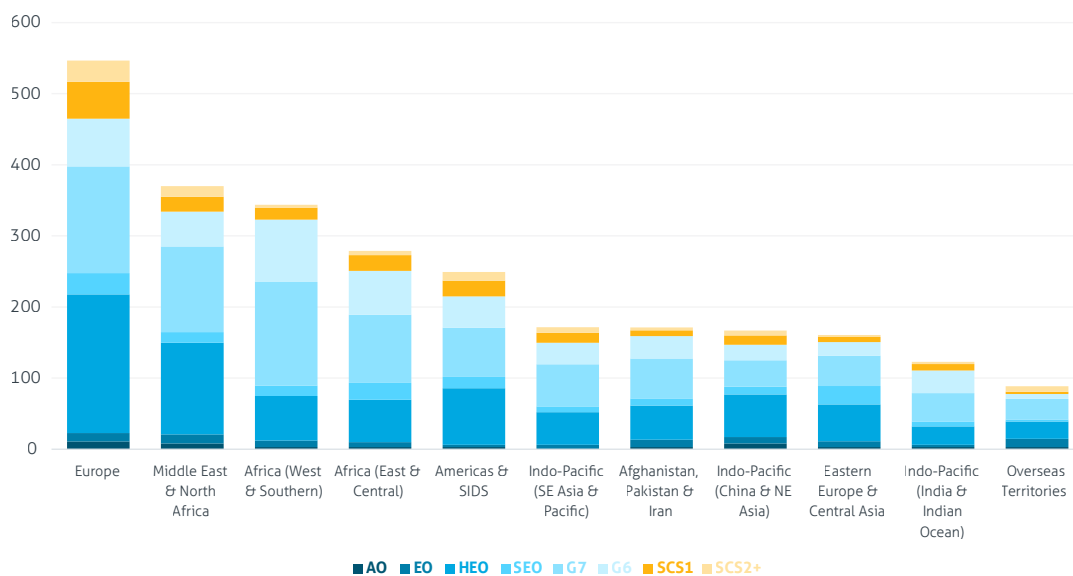
By 2016 the comparative lack of resources dedicated to Russia was well-established. Between 2016 and 2022, the Eastern Europe and Central Asia unit was consistently among the worst resourced of the geographical units in the FCO and then FCDO. The number of UKB staff at the embassy in Moscow has also been slowly reduced; exact numbers are not available for recent years, but staff numbers fell from 30 in 2016/17 to somewhere in the 20s in 2020/21.^{34,35}

Figure 3 Staffing of geographic units, FCO 2010–20, FCDO 2020–22



Source: Institute for Government analysis of FCO and FCDO organograms, Gov.uk, 2016-22. Dotted lines represent gaps in the data, breaks in the data denote the creation of new teams.

Figure 4 Staff numbers in geographic units by grade, FCDO, March 2022



Source: Institute for Government analysis of FCDO organogram, Gov.uk, March 2022.

Other elements of the Foreign Office’s Russian expertise have continued to be downgraded. Despite the Foreign Affairs Committee drawing attention to Russian language proficiency as a ‘weak spot’ in 2015, the number of staff in the department who could speak it at ‘advanced’ level dropped from 83 in December 2017 to below 60 in February 2022.^{36,37,38}

The reduction in the number of UKB staff abroad, including at the Moscow embassy, means current Foreign Office staff have less personal experience of Russia than some previous generations. And the perennial problem of civil service churn has also exacerbated matters. The Institute has argued that in the civil service, staff often move too quickly to develop deep expertise in any particular area, and this is the case in the Foreign Office as elsewhere.³⁹

More staff work on geographic areas than aid

The thematic parts of the Foreign Office that work on international aid are smaller than the ones dealing with geographic regions. As part of the reorganisation announced in March 2022, six units were put under control of the new director general for development and humanitarian – development and parliament; humanitarian and migration; education, gender and equality; international finance; global health; and the Office for Conflict, Stabilisation and Mediation.

Even taken together these numbered only around 800 FTE staff as of March 2022. The equivalent figure for its geographic units was around 2,670. Of course, the split between regional and thematic teams is not hard and fast and some officials in geographic units are likely to be working on aid and development. But that there are comparatively fewer officials working in the specific parts of the department focused on aid reflects the government's changing political priorities.

Morale has been low

From conversations with current and former staff it is clear that morale in the department has taken a hit, something mirrored in media reports.⁴⁰ There are several reasons for this, across both parts of the department. In the case of the FCO, many observers noted that it has been “hollowed out” over a period of several years, with responsibility for core policy areas being transferred to other departments. The Brexit negotiations were a key example of this – the former foreign secretary, Jeremy Hunt, told the Institute that “it was a deliberate decision to take Brexit out of the hands of the Foreign Office”, which left the department sidelined on the biggest foreign policy issue of the day.^{41,42}

Increasingly, prime ministers have taken the lead on international affairs, supported by No.10 and the Cabinet Office, leaving the Foreign Office as only one player in its own domain of expertise. As Philip Hammond said when reflecting on his time as foreign secretary:

“I spent a lot of my time as foreign secretary urging the Foreign Office to react to what appeared to me as a systematic humiliation over the years – having first lost its role in relation to Europe, to the Cabinet Office Europe Unit and then surrendered many of its functions to the National Security Council. The NSC sucked away a lot of the Foreign Office’s traditional role. I thought that the Foreign Office needed to rethink its role and work out how it was going to rebuild its stature.”⁴³

For those in DfID, that the merger happened at all damaged morale, with many seeing it far more as a takeover by the Foreign Office than a marriage of equals. Several interviewees noted to us that former DfID staff felt particularly worried about the impact of the merger on their jobs and on the overall objectives of the new department.

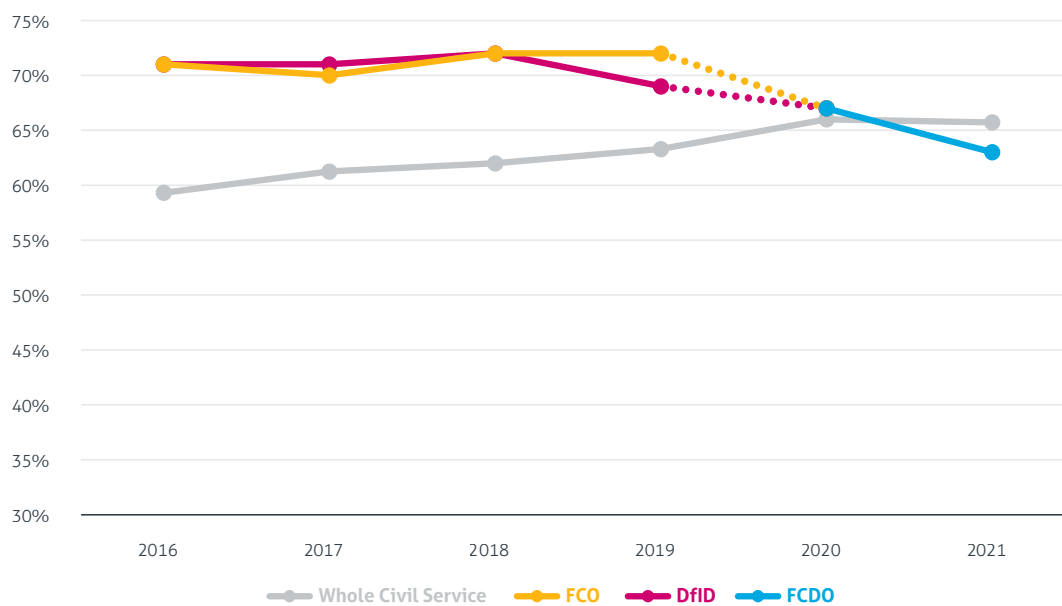
This sense of unease was heightened by the controversial decision in November 2021 to cut the aid budget, which led to some former DfID programmes being wound up. However, although there have been reports of an exodus of former DfID staff from the

FCDO, our analysis of figures provided by the department in response to a Freedom of Information request suggests that ex-DfID staff are not leaving the FCDO at a meaningfully different rate to ex-FCO staff.⁴⁴

Meanwhile, consternation was caused on both sides of the department after an all-staff email sent shortly after the announcement of cuts to aid said there would be staff cuts of up to 10%, only for the plan to be denied by the prime minister. The resulting confusion led to morale hitting "rock bottom".⁴⁵ More recent reports of deep job cuts across the civil service have done little to improve the picture.⁴⁶

We heard from interviewees for this report that after dealing with a series of crises and uncertainties, as well as the merger, by the time the Russian invasion of Ukraine began morale in the Foreign Office was low. This seems to have harmed staff engagement levels: a lower number of staff volunteered to take part in the crisis response compared to the Afghanistan evacuation the previous year. This is supported by evidence from the Civil Service People Survey, which shows that since the creation of the FCDO in particular, there has been a drop in staff engagement.

Figure 5 **Civil Service People Survey engagement scores, DfID/FCO/FCDO compared to whole civil service**



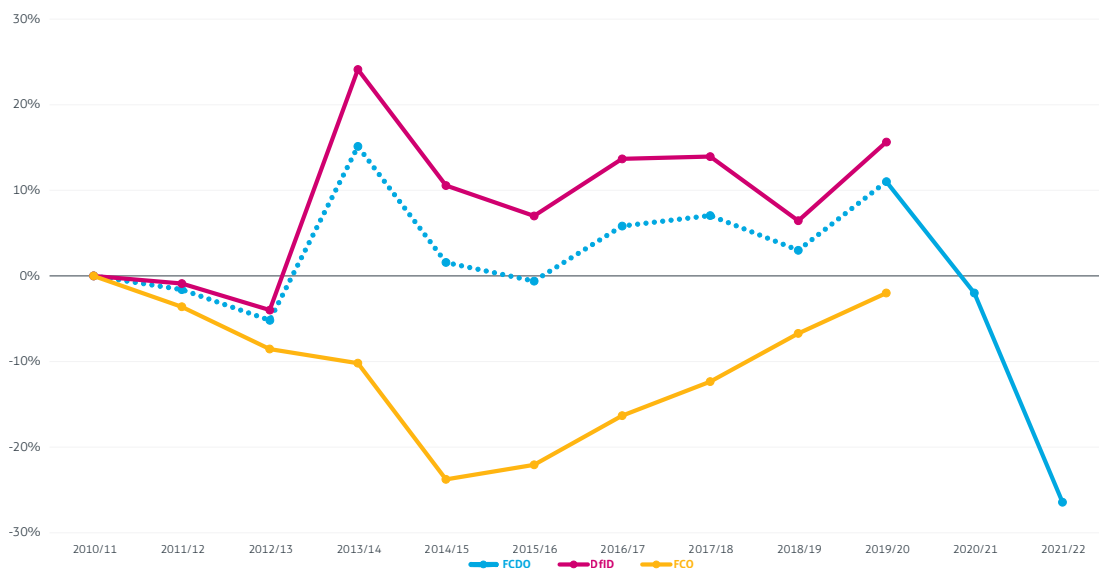
Source: Institute for Government analysis of Civil Service People Survey, Cabinet Office, 2016-21. Dotted lines denote the time period during which the FCO/DfID merger was taking place.

The Foreign Office budget has declined but spending on bureaucracy has increased, in part because of the merger

After the 2010 election, the coalition government committed to meeting the 0.7% of gross national income (GNI) target for aid spending, which saw DfID's budget rise substantially and then remain fairly steady during the subsequent decade. The FCO, on the other hand, saw substantial cuts during the coalition, but an increase after 2015.

The FCO and DfID budgets remained broadly steady after the 2016 EU referendum, before falling slightly in 2020/21 around the time of the merger. After the merger, the FCDO budget fell substantially in 2021/22 as a result of the cut in aid spending from 0.7% to 0.5% of GNI. The money cut from the aid budget has not been spent on other FCDO functions; it has been a national cost-saving measure. That this was the most high-profile area from which the government decided to cut funding was another indication of its shifting overseas priorities.

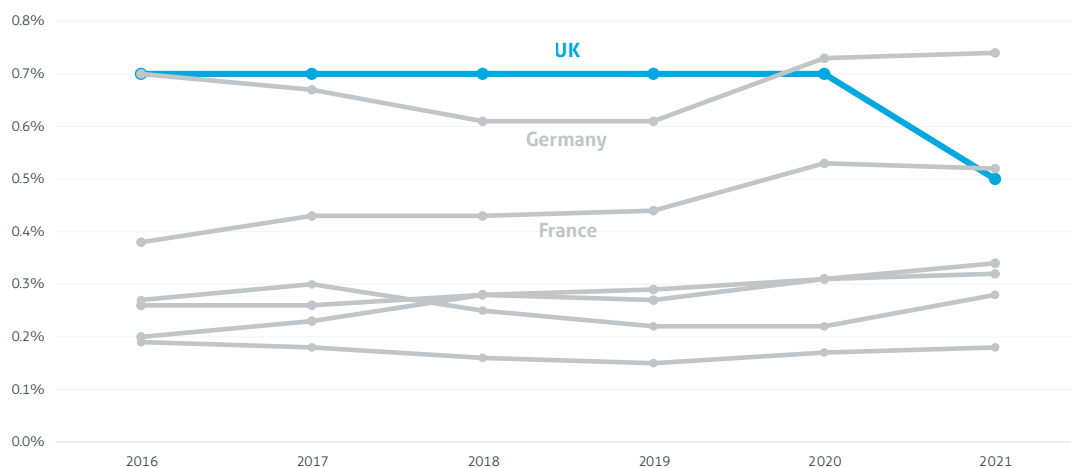
Figure 6 **Percentage change in day-to-day spending (resource DEL) since 2010/11, FCO, DfID and FCDO**



Source: Institute for Government analysis of HM Treasury, public expenditure statistical analyses, 2010-21. Note: figure for 2021/22 is a projection. FCDO figures between 2010-20 are the sum of FCO and DfID figures.

The aid cut broke a manifesto promise, damaged the UK's international relationships and has reinforced the sense among some European countries in particular that the post-Brexit UK pitched as 'Global Britain' is in fact more insular.^{47,48,49} But Britain's aid budget remains the third highest in the G7 and the government claims it intends to return to spending 0.7% of GNI "when the fiscal situation allows".⁵⁰ So while the cut has damaged Britain's reputation in some quarters, and reduced the Foreign Office's ability to effect change across the world, it has certainly not completely diminished these things.

Figure 7 **Percentage of gross national income spent on aid, G7 countries, 2016-21**



Source: OECD Development Assistance Committee data on total official and private flows of ODA, 2021. Preliminary data for 2021.

One of the main consequences of the aid cut has been that smaller non-governmental organisations (NGOs) have seen their funding reduced. While there is little formal data on this, interviewees noted that the government had chosen to prioritise sustaining funding to larger NGOs and international organisations over supporting smaller outfits. Around eight months after the aid cut was announced, a trustee of the Small International Development Charities Network argued that the government had “wiped out support for small charities”.⁵¹ Several small UK NGOs have been forced to substantially reduce or abandon their aid programmes due to a lack of funding.⁵²

Meanwhile, the department’s administrative budget – allocated to operating costs, front-line diplomacy and maintaining the overseas network – is planned to rise by £67 million between 2020/21 and 2021/22, a 30% increase, according to the 2021 spending review.⁵³ Many departments saw a rise in administrative budgets in the same period, but this is proportionally one of the largest and is in part due to the costs of the merger such as the need to integrate ex-FCO and ex-DfID systems. The Foreign Office described this money as “crucial investment... to complete the FCDO’s transformation, including funding to set up a joint HR and finance system”.⁵⁴

Relationships with other departments have been difficult, particularly in Whitehall

The Foreign Office is only one actor in the UK’s foreign policy world – it must co-ordinate with No.10, the Ministry of Defence, the Treasury, the Home Office, the Department for International Trade, intelligence agencies and others. According to those we spoke to, the strength of the department’s record on this has varied over recent years, depending on the issue at hand, the region of the world in question, the personality of the ministers involved and more.

The National Security Council (NSC), established by David Cameron and supported by the National Security Secretariat (NSS) in the Cabinet Office, is responsible for co-ordinating the government's view on national security issues. There are differing views as to how effective the NSC machinery is, and many we spoke to thought that it was good at co-ordinating departments' responses to a specific crisis.

But others were more critical. Parliament's Joint Committee on the National Security Strategy pointed to the response to both Covid and the Afghan evacuation as evidence that "the NSC and the cross-government machinery that supports its work are inadequate to the task".⁵⁵ The committee made a series of recommendations on how the NSC could work more effectively, including greater prime ministerial involvement, changes to the membership of the committee and greater involvement for the NSC in budgeting decisions.

Below the NSC level, relations between the Foreign Office and other departments are not always easy. From our conversations we identified a distinction between departments working well together overseas and disagreeing more in the UK.

There was a clear view, backed up by evidence from select committees, that 'at post' – that is, at UK embassies around the world – officials from departments have good working relationships. Far from the politics of Whitehall, they work together closely regardless of which department they are employed by. We were told of recent examples of positive working between the Foreign Office, MoD, Home Office and other officials in Eastern Europe in 2022 in supporting their host governments with refugee flows from Ukraine and providing information for the UK government's response. And reflecting on the Afghanistan evacuation, the defence secretary, Ben Wallace, told the Commons Foreign Affairs Committee (FAC) that "the people on the front line – that is, the Foreign Office officials, the MoD and our military – did an amazing job at delivering quite an outstanding process... If we really were at each other's throats, you would not have got that outcome."⁵⁶

This is not always the case at home. During and after the evacuation of Afghanistan, there were reports of a "war of words" between the MoD and Foreign Office secretaries of state.⁵⁷ Departments also received criticism from other politicians, with the FAC's Neil Coyle saying that "lots of us experienced those problems in particular with the Home Office and the Foreign Office. The MoD was far easier to deal with."⁵⁸ A particularly damning report, again from the FAC, labelled the withdrawal from Afghanistan "a disaster...[due to] systemic failures of intelligence, diplomacy, planning and preparation" in the Foreign Office and the NSC.⁵⁹

The war in Ukraine posed similar problems, specifically with regard to sanctions placed on Russian businesses and people close to the Putin regime. We were told of strained relationships between the different parts of government involved in enacting these – which included the Foreign Office, Treasury and Home Office – and that the Foreign Office's apparent reluctance to dedicate much resource towards sanctions policy had left it on the back foot when the issue rose to the top of the agenda in February.

What should the Foreign Office do now to ensure it can shape and deliver UK foreign policy priorities?

The war in Ukraine is a key moment in the UK's foreign policy – the government is working to support the Ukrainian armed forces and people against the Russian invasion. To ensure that the Foreign Office is capable of responding to this and future crises, there are several things that the department and government should do:

Align strategy and actions – and maintain the staff to do this

Since the merger in September 2020 the government has published its Integrated Review and International Development Strategy. These two documents have set out the government's overarching ambition for the work of the Foreign Office (and the MoD), but it is now time to put those ideas into action. As the former director general Moazzam Malik said a few months after he left the department, the Foreign Office "needs clear, stable, long term objectives – pursuing 'national interest' doesn't mean anything."⁶⁰ The merger is, in the government's view, a key part of achieving its foreign policy objectives – but it is not the only action required.

The government now needs to take tangible steps towards dealing with its priorities. And, as the foreign secretary has reportedly said, cutting staff numbers when the department is dealing with a war in Europe is not sensible, especially given that the government's ongoing, controversial work to change the Northern Ireland protocol means that the department will also have to maintain a sizeable team working on Brexit. If the aid budget returns to 0.7% of GNI, as the government is committed to, it is likely that more staff will be needed to administer it again. And this is all against the backdrop of a stated focus on the Indo-Pacific. If the government wants to maintain all these priorities, ministers need to ensure they have the people in place to make them happen.

Direct more resources to dealing with Russia

The government had not stopped paying attention to Russia. The Integrated Review identified Russia several times as "the most acute threat to our security" while highlighting the work that the UK was doing during 2021 with the Ukrainian armed forces, work that has continued and ramped up during the war. But the Integrated Review's self-proclaimed foreign policy "tilt" to the Indo-Pacific region was notable. This continued a long-term trend; as the Cold War faded into memory and other threats to the UK became dominant, the Foreign Office's focus on Russia softened. With current events in Ukraine, this is not sustainable.

Sir Philip Barton, the Foreign Office permanent secretary, has talked of the importance of making sure that "where we have our people is in line with the Foreign Secretary's and Government's latest priorities".⁶¹ The number of staff dedicated to the Indo-Pacific region is a positive reflection of this – to Russia, less so. In the present circumstances it is clear that the Foreign Office will have to dedicate more resources – people, funding, language training – to ensure the UK's diplomatic

structures are equipped to deal with Russia's ongoing threat, as the foreign secretary is reported to have called for.⁶² Although the change in prime minister makes matters less clear, it is likely that the civil service will experience headcount reductions before the next election, making finding this resource more difficult. But with the foreign secretary pushing back against staff cuts to her department and the defence secretary recently using a speech at RUSI to press for more defence funding, it is clear that the level of resource dedicated to foreign policy priorities will remain a live question in government.⁶³

Sort out the merger

Departmental restructures always take time and it is no surprise that the Foreign Office merger, executed during the pandemic, has proved difficult and time-consuming. But big changes to ministerial and official portfolios, as recently as March 2022, speak to a department that has still not found its feet. Many we spoke to also told of long-standing issues of morale in the department, particularly among former DfID staff – many of whom see the merger more as a takeover by the FCO than a marriage of equals.

The department must address this soon. On the practical side, this means ensuring IT systems are properly interoperable, that there is proper pay parity across officials and that staff across the department have clarity about how their roles fit into the overall objectives of the organisation.

But the department also needs to solidify its new identity and culture. As former permanent secretary Lord McDonald told the House of Lords International Relations and Defence Committee: "The objective is, and has to be, a synthesis of cultures."⁶⁴ While this will inevitably be an organic process, senior management can take the lead to ensure that all the department's employees feel part of the organisation and that those who previously worked for DfID do not feel that they are "being swamped", as Lord McDonald warned against.

Of course, political decisions about the aid budget and the relative priority of different foreign policy objectives are just that – political decisions. Officials know that these change and part of their job is accepting that, even while also accepting the possibility that a future Labour government may reverse the merger. The department should work harder to actively create a new culture that values all employees regardless of departmental background.

Strengthen working relationships with other departments

Many reports have called for better working between departments tasked with overseeing different parts of the UK's foreign policy. The Foreign Affairs Committee noted in 2020 that while trade promotion is important, "if it is not co-ordinated with other UK priorities abroad, then the elevation of trade risks introducing further incoherence into the UK's international policy".⁶⁵ The committee called for "even deeper strategic co-ordination between the Department for International Trade (DIT) and the FCDO to ensure greater policy coherence and impact". The same report also found

that the FCDO needs “an enhanced and institutionalised capability to co-ordinate with the Ministry of Defence” on the issue of “mediation, conflict resolution and atrocity prevention”, clearly relevant to the war in Ukraine.

Officials should try to communicate more with colleagues in other departments and set up mechanisms to do so. However, these will always be influenced by the political relationships between their ministers, particularly the secretaries of state – if ministers are rivals for promotion or view foreign policy priorities differently these relationships can easily become strained. Even on issues like Ukraine where there is broad agreement across government, ministers should make sure their departments co-operate rather than compete with each other – in Whitehall as well as ‘at post’.

Reassess the Foreign Office’s overseas staffing model

Locally engaged staff can bring valuable expertise to embassies. But the decline in UK-based civil servants posted overseas has reduced Britain’s capability abroad: UKB staff are better trained, have higher security clearance, full diplomatic immunity, can work longer hours and can be moved to other countries during a crisis quickly if necessary.

The merger has increased the proportion of UK-based civil servants in the Foreign Office. Assuming ex-DfID staff receive appropriate training, this should help increase the number that can be deployed abroad. But while this is a promising first step, the government needs to do more. It should comprehensively reassess its model for overseas staffing, including examining how its reliance on locally engaged staff is affecting capability abroad. In the medium term, the department should aim to increase the proportion of overseas roles filled by UKB civil servants.

Improve staff morale and support whistle-blowers

Two Foreign Office officials sent evidence to the Foreign Affairs Committee about failings they had witnessed in the department. The second, Josie Stewart, said that “people have lost confidence in FCDO leadership”⁶⁶ and “know there is no space for speaking up”. This damning judgement of FCDO management needs to be rectified. Philip Barton, the department permanent secretary, told the committee that it was “a matter of regret” that Stewart did not feel able to talk to him about her concerns. He also explained that the FCDO has a “staff counsellor” and that he “wants us to have a culture where people feel able to raise concerns”. This is clearly not the case currently and the management need to focus on this urgently.

A key part of this must be improving internal whistle-blowing processes – including confidential routes – so that people feel able to raise concerns internally and have confidence that their concerns will be acted upon.

Conclusion

Since the 2016 EU referendum the Foreign Office has faced a constantly changing domestic and international environment. The withdrawal from Afghanistan revealed serious failings among both its political and official leadership and more fundamentally with the way the department works. With war returning to Europe, the issues the department deals with have become even more complex.

Since its formation in 1782 the Foreign Office has always evolved – taking on new responsibilities, titles and staff. Its latest incarnation, now two years old, has clearly not yet fully found its feet. If it is to lead on the UK's foreign policy objectives in an increasingly unstable world, it must quickly do so.

References

- 1 House of Commons, *Hansard*, 'Global Britain', 16 June 2020, col 666, <https://hansard.parliament.uk/commons/2020-06-16/debates/20061637000001/GlobalBritain>
- 2 Valters C and Whitty B, *The Politics of the Results Agenda in DFID 1997–2017*, Overseas Development Institute, September 2017, <https://cdn.odi.org/media/documents/11730.pdf>
- 3 Foreign and Commonwealth Office, *Annual Report & Accounts 2019–20*, HC 553, The Stationery Office, 2020, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/903478/FCO1413_FCO_Annual_Report_2019_-_accessible.pdf, p. 25.
- 4 House of Commons Foreign Affairs Committee, *Missing in action: UK leadership and the withdrawal from Afghanistan: First report of session 2022–23* (HC 169), The Stationery Office, 2022, <https://committees.parliament.uk/publications/22344/documents/165210/default>
- 5 Interview transcript, Lord Simon McDonald, 26 March 2021, Brexit Witness archive, UK in a Changing Europe, <https://ukandeu.ac.uk/interview-pdf/?personid=44756>, p. 10–11.
- 6 Raines T, 'Five Foreign Policy Questions for the UK's Next Prime Minister', Chatham House, 18 June 2019, retrieved 28 June 2022, www.chathamhouse.org/2019/06/five-foreign-policy-questions-uks-next-prime-minister
- 7 Fraser S, 'Picking Up the Broken Pieces of UK Foreign Policy', Chatham House, 14 September 2020, retrieved 28 June 2022, www.chathamhouse.org/2020/09/picking-broken-pieces-uk-foreign-policy
- 8 House of Commons Foreign Affairs Committee, *Global Britain: Sixth report of session 2017–19* (HC 780), The Stationery Office, 2018, <https://publications.parliament.uk/pa/cm201719/cmselect/cmfaff/780/780.pdf>
- 9 HM Government, *Global Britain in a Competitive Age: The Integrated Review of security, defence, development and foreign policy*, CP 403, The Stationery Office, 2021, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/975077/Global_Britain_in_a_Competitive_Age_-_the_Integrated_Review_of_Security__Defence__Development_and_Foreign_Policy.pdf
- 10 House of Commons Intelligence and Security Committee, *Russia*, HC 632, The Stationery Office, 2020, https://isc.independent.gov.uk/wp-content/uploads/2021/03/CCS207_CCS0221966010-001_Russia-Report-v02-Web_Accessible.pdf, p. 23.
- 11 Thomas A, 'The government's integrated review describes but does not resolve foreign policy tensions', blog, Institute for Government, 17 March 2021, retrieved 28 June 2022, www.instituteforgovernment.org.uk/blog/integrated-review
- 12 Foreign, Commonwealth and Development Office, *The UK Government's Strategy for International Development*, CP 676, The Stationery Office, 2022, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1075328/uk-governments-strategy-international-development.pdf
- 13 Lowcock M and Ricketts P, 'Boris Johnson's International Development Strategy falls badly short', *The Times*, 18 May 2022, retrieved 28 June 2022, www.thetimes.co.uk/article/boris-johnsons-international-development-strategy-falls-badly-short-qh8dgl6md
- 14 House of Lords International Relations and Defence Committee, 'Corrected Oral Evidence: Impact of merging of the Foreign & Commonwealth Office and the Department for International Development', UK Parliament, 30 March 2022, retrieved 28 June 2022, <https://committees.parliament.uk/oralevidence/10119/pdf>
- 15 Worley W, 'Exclusive: FCDO undergoes major personnel reforms, gets second top official', Devex, 17 March 2022, retrieved 28 June 2022, www.devex.com/news/exclusive-fcdo-undergoes-major-personnel-reforms-gets-second-top-official-102888
- 16 House of Commons International Development Committee, 'Oral Evidence: Future of UK aid', UK Parliament, 18 May 2022, retrieved 28 June 2022, <https://committees.parliament.uk/oralevidence/10264/html>
- 17 Institute for Government analysis.
- 18 Department for International Development, *Annual Report & Accounts 2016–17*, HC 8, The Stationery Office, 2017, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/625548/DFID-Annual-Report-and-Accounts-2016-17.pdf, p. 18.
- 19 Foreign and Commonwealth Office, *Annual Report & Accounts 2015–16*, HC 336, The Stationery Office, 2016, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/539413/FCO_Annual_Report_2016_ONLINE.pdf, p. 70.
- 20 Foreign, Commonwealth & Development Office, *Annual Report & Accounts 2020–21*, HC 660, The Stationery Office, 2021, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1019938/FCDO_annual_report_and_accounts_2020_to_2021_accessible.pdf, p. 132.
- 21 German Ministry of Foreign Affairs, 'Employees', 23 February 2022, retrieved 28 June 2022, www.auswaertiges-amt.de/de/aamt/auswdienst/mitarbeiter/214948

-
- 22 French Foreign Ministry, 'Diplomacy roles', April 2022, retrieved 28 June 2022, www.diplomatie.gouv.fr/en/the-ministry-and-its-network/diplomacy-roles
- 23 House of Commons Foreign Affairs Committee, *Foreign and Commonwealth Office Resources: Fifth report of session 1998–99*, The Stationery Office, 1999, <https://publications.parliament.uk/pa/cm199899/cmselect/cmfaff/271/27109.htm>, Institute for Government analysis of Table 1 and para. 48.
- 24 Foreign, Commonwealth & Development Office, *Annual Report & Accounts 2020–21*, HC 660, The Stationery Office, 2021, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1019938/FCDO_annual_report_and_accounts_2020_to_2021_accessible.pdf, p. 132.
- 25 Goodman S, *Running Out of Credit? The decline of the Foreign Office and the case for sustained funding*, British Foreign Policy Group, 2019, retrieved 28 June 2022, <https://bfp.org.uk/wp-content/uploads/2019/06/Running-out-of-Credit-HR.pdf>, p. 14.
- 26 *Ibid.*
- 27 German Ministry of Foreign Affairs, 'Employees', 23 February 2022, retrieved 28 June 2022, www.auswaertiges-amt.de/de/aamt/auswdienst/mitarbeiter/214948
- 28 Clarke M, Written evidence to the Foreign Affairs Committee, 2020, retrieved 28 June 2022, <https://committees.parliament.uk/writtenevidence/4334/html>
- 29 Stacey K, 'Britain's Foreign Office loses direction as more cuts loom', *Financial Times*, 14 November 2014, retrieved 28 June 2020, www.ft.com/content/f7e4c1e8-69ab-11e4-8f4f-00144feabdc0
- 30 Institute for Government interviews.
- 31 Institute for Government interviews.
- 32 Institute for Government interviews.
- 33 Stacey K, 'Britain's Foreign Office loses direction as more cuts loom', *Financial Times*, 14 November 2014, retrieved 28 June 2020, www.ft.com/content/f7e4c1e8-69ab-11e4-8f4f-00144feabdc0
- 34 Foreign and Commonwealth Office, *Annual Report & Accounts 2016–17*, HC 15, The Stationery Office, 2017, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/625651/FCO-annual-report-2017-web-accessible.pdf, p. 64.
- 35 Foreign, Commonwealth & Development Office, *Annual Report & Accounts 2020–21*, HC 660, The Stationery Office, 2021, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1019938/FCDO_annual_report_and_accounts_2020_to_2021_accessible.pdf, p. 135.
- 36 House of Commons, *Hansard*, 'Foreign, Commonwealth and Development Office: Russian Language', Written question, 1 February 2022, retrieved 28 June 2022, <https://questions-statements.parliament.uk/written-questions/detail/2022-02-01/HL5829>
- 37 House of Commons, *Hansard*, 'Foreign and Commonwealth Office: Russian Language', Written question, 13 March 2018, retrieved 28 June 2022, <https://questions-statements.parliament.uk/written-questions/detail/2018-03-13/HL6307>
- 38 Chorley M, 'Cuts in Russian speakers show 'ministers asleep at the wheel'', *The Times*, 22 March 2022, retrieved 19 July 2022, www.thetimes.co.uk/article/cuts-in-russian-speakers-show-foreign-office-asleep-at-the-wheel-fz92xjtbx
- 39 Sasse T and Norris E, *Moving On: The costs of high staff turnover in the civil service*, Institute for Government, 2019, retrieved 28 June 2022, www.instituteforgovernment.org.uk/publications/moving-on-staff-turnovercivil-service
- 40 See for example: Aubrey Allegretti, Tweet, 29 August 2021, [www.twitter.com/breeallegretti/status/1431946583726252041?s=20&t=l-M0h3usojWUuzrVI63Hxw](https://twitter.com/breeallegretti/status/1431946583726252041?s=20&t=l-M0h3usojWUuzrVI63Hxw)
- 41 Interview transcript, Lord Simon McDonald, 26 March 2021, Brexit Witness archive, UK in a Changing Europe, <https://ukandeu.ac.uk/interview-pdf/?personid=44756>
- 42 Interview transcript, Jeremy Hunt MP, 7 January 2020, Ministers Reflect archive, Institute for Government, www.instituteforgovernment.org.uk/ministers-reflect/person/jeremy-hunt
- 43 Interview transcript, Philip Hammond MP, 13 and 20 November 2020, Brexit Witness archive, UK in a Changing Europe, <https://ukandeu.ac.uk/interview-pdf/?personid=42190>
- 44 Worley W, 'Exclusive: Over 200 ex-DfID staffers have left UK's FCDO since merger', *Devex*, 2 September 2021, retrieved 28 June 2022, www.devex.com/news/exclusive-over-200-ex-dfid-staffers-have-left-uk-s-fcdo-since-merger-100686
- 45 Markson T, 'FCDO morale at "rock bottom" as government denies 10% staff cuts planned', *Civil Service World*, 17 December 2021, retrieved 28 June 2022, www.civilserviceworld.com/professions/article/fcdo-staff-utterly-confused-and-morale-at-rock-bottom-amid-proposed-department-cuts

-
- 46 Institute for Government interviews.
- 47 Savage M, 'Tory aid cuts 'tarnish' UK reputation, warns humanitarian chief', *The Observer*, 6 June 2021, retrieved 9 December 2021, www.theguardian.com/global-development/2021/jun/06/tory-aid-cuts-tarnish-uk-reputation-warns-un-humanitarian-chief
- 48 Baroness Sugg, 'Aid budget: Cruellest cuts will hurt Britain', blog, Chatham House, 3 June 2021, retrieved 9 December 2021, www.chathamhouse.org/publications/the-world-today/2021-06/aid-budget-cruellest-cuts-will-hurt-britain
- 49 Tamkin E, 'Exclusive: Members of US Congress speak out against Britain's foreign aid cuts', *The New Statesman*, 6 June 2021, retrieved 9 December 2021, www.newstatesman.com/business/economics/2021/06/exclusivemembers-us-congress-speak-out-against-britains-foreign-aid-cuts
- 50 HM Treasury, 'Governments sets out conditions for returning to 0.7% aid target', Gov.uk, 12 July 2021, retrieved 9 December 2021, www.gov.uk/government/news/government-sets-out-conditions-for-returning-to-07-aidtarget
- 51 Worley W, 'Tracking the UK's controversial aid cuts', Devex, (no date), retrieved 28 June 2020, www.devex.com/news/tracking-the-uk-s-controversial-aid-cuts-99883
- 52 *Ibid.*
- 53 Her Majesty's Treasury, *Autumn Budget and Spending Review 2021*, HC 822, The Stationery Office, 2021, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1043689/Budget_AB2021_Web_Accessible.pdf, Table E.8.
- 54 Foreign, Commonwealth and Development Office, *FCDO main estimates memorandum 2021 to 2022*, 2021, www.gov.uk/government/publications/foreign-commonwealth-development-office-main-estimates-memorandum-2021-to-2022/fcdo-main-estimates-memorandum-2021-to-2022-accessible-version
- 55 Joint Committee on the National Security Strategy, *The UK's National Security Machinery: First report of session 2021–22* (HC 231, HL 68), The Stationery Office, 2021, retrieved 28 June 2022, <https://committees.parliament.uk/publications/7375/documents/77226/default>
- 56 House of Commons Foreign Affairs Committee, 'Oral Evidence: Government Policy on Afghanistan', UK Parliament, 25 January 2022, retrieved 28 June 2022, <https://committees.parliament.uk/oralevidence/3342/pdf>
- 57 Gye H, 'Afghanistan blame game: Foreign Office v MoD as Dominic Raab and Ben Wallace trade public blows', *i news*, 2 September 2021, retrieved 28 June 2022, <https://inews.co.uk/news/politics/dominic-raab-afghanistan-fall-insists-safe-2022-1179104>
- 58 House of Commons Foreign Affairs Committee, 'Oral Evidence: Government Policy on Afghanistan', UK Parliament, 25 January 2022, retrieved 28 June 2022, <https://committees.parliament.uk/oralevidence/3342/pdf>
- 59 House of Commons Foreign Affairs Committee, *Missing in Action: UK leadership and the withdrawal from Afghanistan, First report of session 2022–23* (HC 169), The Stationery Office, 2022, <https://committees.parliament.uk/publications/22344/documents/165210/default>
- 60 Moazzam Malik, Tweet, 7 June 2022, https://twitter.com/MoazzamTMalik/status/1534185037947715587?s=20&t=mU1gXkc3Aj4Ya1_y1QIYqQ
- 61 House of Commons Foreign Affairs Committee, 'Oral Evidence: Work of the Foreign, Commonwealth and Development Office', 7 March 2022, retrieved 28 June 2022, <https://committees.parliament.uk/oralevidence/9841/html>
- 62 Diver T, 'Liz Truss defies Boris Johnson over drive to slash Whitehall jobs', *The Daily Telegraph*, 8 June 2022, retrieved 28 June 2022, <https://www.telegraph.co.uk/politics/2022/06/08/liz-truss-defies-boris-johnson-plot-slash-whitehall-jobs>
- 63 Wallace B, Speech at the Royal United Services Institute, 28 June 2022, retrieved 30 June 2022, www.gov.uk/government/speeches/defence-secretary-speech-at-rusi-land-warfare-conference-2022
- 64 House of Lords International Relations and Defence Committee, 'Corrected Oral Evidence: Impact of merging of the Foreign & Commonwealth Office and the Department for International Development', UK Parliament, 30 March 2022, retrieved 28 June 2022, <https://committees.parliament.uk/oralevidence/10119/pdf>
- 65 House of Commons Foreign Affairs Select Committee, *A Brave New Britain: Fourth report of session 2019–21*, 2020, retrieved 28 June 2020, <https://committees.parliament.uk/publications/3133/documents/40215/default>
- 66 Stewart J, Written evidence to House of Commons Foreign Affairs Committee, 2022, retrieved 28 June 2022, <https://committees.parliament.uk/writtenevidence/107001/pdf>

About the authors

Tim Durrant

Tim is an associate director leading the ministers programme, which includes the Institute for Government's work with current and past ministers and ministerial offices. He joined the Institute in 2017 to work on the Brexit programme. Prior to this, Tim was a civil servant, working on a number of international and domestic policy areas at HM Treasury and the Department for International Development.

Jordan Urban

Jordan is a researcher at the Institute, working in the civil service and policy making team. He has a first-class undergraduate degree from the University of Cambridge, and has co-authored a journal article in *Political Studies*. He previously co-founded GovTracker, an initiative which tracked the progress of the government's manifesto pledges, and interned at Full Fact.

The Institute for Government is the leading think tank working to make government more effective.

We provide rigorous research and analysis, topical commentary and public events to explore the key challenges facing government.

We offer a space for discussion and fresh thinking, to help senior politicians and civil servants think differently and bring about change.

Copies of this IfG Insight are available alongside our other research work at:

 instituteforgovernment.org.uk

 enquiries@instituteforgovernment.org.uk

 +44 (0) 20 7747 0400  +44 (0) 20 7766 0700

 [@instituteforgov](https://twitter.com/instituteforgov)

**Institute for Government, 2 Carlton Gardens
London SW1Y 5AA, United Kingdom**

July 2022

© Institute for Government 2022

The Institute for Government is a registered charity in England and Wales (No.1123926) with cross-party governance. Our main funder is the Gatsby Charitable Foundation, one of the Sainsbury Family Charitable Trusts.