

# Business Plan 2012–2015

## Foreign & Commonwealth Office

31 May 2012

*This plan will be updated annually*



Foreign &  
Commonwealth  
Office

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# A) Coalition priorities

## 1. Safeguard Britain's national security

- Counter terrorism and weapons proliferation, deliver the diplomatic contribution to Britain's effort in Afghanistan and work to prevent and reduce conflict.

## 2. Build Britain's Prosperity

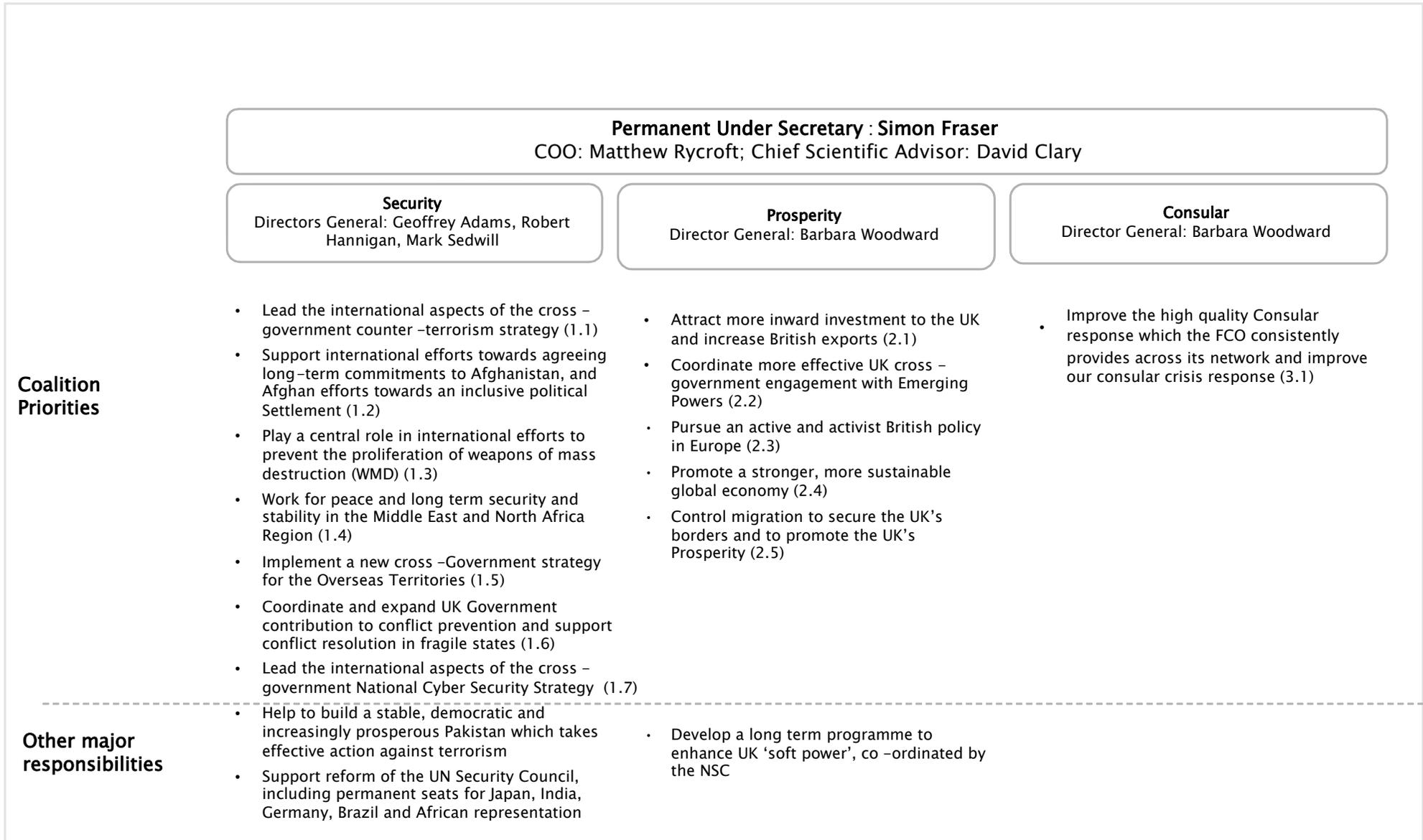
- Increase exports and investment, open markets, ensure access to resources and promote sustainable global growth in a rules-based international trading system

## 3. Support British nationals around the world through modern and efficient consular services

- Support British Nationals around the world through modern and efficient consular services, and support a rapid and effective HMG response to any crisis that affects British nationals overseas.

# Departmental Responsibilities

This page sets out who in the Department leads on its major responsibilities, including its Coalition priorities.



## B) Structural Reform Plan

This section sets out the key actions the Department will take to implement its Coalition priorities. An implementation report will be published online, setting out progress in completing them.

Additional actions, including our contributions to cross-cutting Government agendas such as the Growth Review, can be found in Annex A.

All commitments and end dates relating to legislation and pre-legislative scrutiny are subject to parliamentary timetables.

### 1. Safeguard Britain's national security

*Lead: Robert Hannigan, Director General Defence and Intelligence; Geoffrey Adams, Director General Political; Mark Sedwill, Director General, Afghanistan and Pakistan; Matthew Rycroft, Chief Operating Officer*

| <b>ACTIONS</b> |   | <b>Start</b> | <b>End</b> |
|----------------|---|--------------|------------|
| <b>1.1</b>     | <b>Lead the international aspects of the cross-government counter-terrorism strategy (CONTEST) to reduce the risk to the UK and UK interests overseas from terrorism</b>                                    |              |            |
|                | i. Co-ordinate UK capacity-building assistance and other projects in high-risk countries, including ensuring that all interventions in the security and justice sector strengthen respect for human rights  | Started      | Apr 2013   |
| <b>1.2</b>     | <b>Support international efforts towards agreeing concrete long-term commitments to Afghanistan, and support Afghan efforts towards an inclusive political settlement</b>                                   |              |            |
|                | i. Secure implementation of regional confidence building measures in the security, political and economic fields, using the Kabul Ministerial   | Started      | Jun 2012   |
|                | ii. Support the Afghan Parliament to engage more actively in the political process through exchanges between UK and Afghan MPs and formal capacity building training to increase Parliament's effectiveness | Started      | Dec 2012   |
| <b>1.3</b>     | <b>Play a central role in international efforts to prevent the proliferation of weapons of mass destruction (WMD), including conventional weapons</b>   |              |            |
|                | i. Lead action at the International Atomic Energy Agency and in E3+3 talks, and agree and intensify robust EU and international sanctions to stop Iran obtaining a nuclear weapon                           | Started      | May 2015   |
|                | ii. Negotiate a robust, Arms Trade Treaty at the UN on behalf of UK (other government departments, Industry, non-governmental organisations)  | Started      | Jul 2012   |

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| <b>ACTIONS</b>   | <b>Start</b> | <b>End</b> |
|--|--------------|------------|
| iii. Support the Finnish facilitator ahead of the Middle East WMD Free Zone Conference 2012, working with the US, Russia and others, provided political conditions in the region allow it  | Started      | Dec 2012   |
| iv. Demonstrate progress across the three pillars of the Nuclear Non-Proliferation Treaty and work with international partners to deliver a positive outcome on a cross-pillar approach by the May 2015 Review Conference  | Started      | May 2015   |
| v. Promote effective implementation of the outcomes of the Dec 2011 Biological and Toxin Weapons Convention Review Conference and work towards an effective Chemical Weapons Convention Review Conference in 2013  | Started      | Apr 2013   |
| <b>1.4 Work for peace in the Middle East, with a secure and universally recognised Israel living alongside a sovereign and viable Palestinian state, and for long term security and stability in the Middle East and North Africa region</b>   |              |            |
| i. Support UN and Arab League-led efforts to bring an end to the violence in Syria and move towards political transition through diplomatic activity and engagement with the opposition  | Started      | Apr 2013   |
| ii. Support the development of the building blocks of democracy in Middle East and North African countries through the Arab Partnership, including effective use of the FCO's £40million Arab Partnership Participation Fun  | Started      | Apr 2015   |
| iii. Support efforts to secure a two-state solution to the Middle East Peace Process, using 10 inward and outward ministerial and senior official visits and £ 3.5m programme spending. Continue to press for an end to illegal Israeli settlement construction in co-ordination with key partners         | Started      | Mar 2013   |
| <b>1.5 Implement a new cross-Government strategy for the Overseas Territories to ensure their security, good governance and development. Ensure the security of the Falkland Islands, defending the Islanders' right to determine their own future and protecting their right to develop their economy</b> |              |            |
| i. Publish a White Paper setting out the Government's overall approach to the Overseas Territories   | Started      | Dec 2012   |

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| <b>ACTIONS</b>  | <b>Start</b> | <b>End</b> |
|---|--------------|------------|
| ii. Implement the systemic reforms in the Turks and Caicos Islands (completing legislative, administrative and regulatory changes) to enable a return to democratically elected government  | Started      | Mar 2013   |
| <b>1.6 Coordinate and expand UK Government contribution to conflict prevention and support conflict resolution in fragile states, focussing on Somalia and terrorist threats emanating from South Asia and the Horn of Africa</b>                 |              |            |
| i. Working with UN and international partners, build capacity to counter piracy at sea, including through international naval efforts; prosecute and detain those responsible; and provide alternative livelihoods for Somali coastal communities | Started      | Feb 2015   |
| ii. Improve the measurement of the effectiveness of Conflict Pool programmes, working with DFID and MOD to ensure expenditure is delivering value for money and results which are meeting the Building Stability Overseas Strategy objectives     | Started      | Oct 2012   |
| iii. Implement agreed outcomes of London Conference on Somalia, including political transition by August 2012 and strengthened in-country UK presence (new Embassy opening in Mogadishu as conditions allow)                                      | Started      | Dec 2015   |
| iv. Support conflict prevention and improved governance in Africa through at least eight Ministerial visits, and targeted programme spend (over half Conflict Pool spending in Africa on Somalia and the Sudans)                                  | Started      | Dec 2013   |
| v. Deliver a programme of engagement with political parties and civil society, supplemented by frequent Ministerial visits to support a credible and stable democratic transition in Pakistan in the spring 2013 elections                        | Started      | May 2013   |
| <b>1.7 Lead the international aspects of the cross-government National Cyber Security Strategy, to help shape an open, stable, and vibrant cyberspace, and to reduce the risk to the UK and UK interests from cyber threats</b>                   |              |            |
| i. Ensure co-ordinated UK participation at Cyber Conferences in Hungary and the Republic of Korea   | Started      | Dec 2013   |
| ii. Develop norms of behaviour in cyberspace to ensure constructive UK input into UN discussions, working with other Government Departments   | Started      | Dec 2013   |

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| <b>ACTIONS</b> |   |                         |                        |
|----------------|---|-------------------------|------------------------|
| iii.           | Support BIS and GCHQ work with industry to deliver export growth in the cyber security sector | <b>Start</b><br>Started | <b>End</b><br>Dec 2015 |

## 2. Build Britain's Prosperity

Lead: Barbara Woodward, Director General, Economic & Consular; Matthew Rycroft, Chief Operating Officer

| <b>ACTIONS</b>   | <b>Start</b> | <b>End</b> |
|--|--------------|------------|
| <b>2.1 Implement the UKTI 5-year Strategy and FCO Charter for Business, and promote the UK globally through the Olympics and Diamond Jubilee, to help attract more inward investment to the UK, and increase British exports to £1 trillion by 2020.</b>                       |              |            |
| i. Implement FCO Country Business Plans to help double trade with India, Kuwait, Qatar, South Africa, Turkey, Brazil, Mexico, Pakistan, Nigeria, Colombia and increase trade with China, UAE and Latin America   | Started      | Dec 2015   |
| ii. Support the delivery of EU Free Trade Agreements with India, Canada, Singapore and EU Mercosur Free Trade Agreement and launch negotiations with Japan and the US  | Started      | Dec 2013   |
| iii. Run the GREAT campaign overseas, to help build the UK's economic reputation to support UK trade, investment and tourism   | Started      | Dec 2015   |
| iv. Working with UKTI, partner with organisations which increase opportunities for business, including Chambers of Commerce. Support the Prime Minister's National Export Challenge of increasing by 100,000 the number of SMEs exporting and total annual UK exports to £1trn | Started      | Dec 2020   |
| v. Use defence engagement to help maintain the UK share of the global defence export market and to increase the UK's share of the global security export market, including supporting export campaigns for Typhoon   | Started      | Dec 2015   |
| vi. Manage the visits of 120 Heads of State and Government to the Olympic and Paralympic Games, support the delivery of the British Business Embassy   | Jun 2012     | Sep 2012   |
| vii. Deliver a comprehensive training programme to create a commercially and economically capable FCO, including tailored provision for new 'Prosperity staff' appointed under the FCO's network shift   | Started      | Dec 2013   |
|  |              |            |

## 2. Build Britain's Prosperity

*Lead: Barbara Woodward, Director General, Economic & Consular; Matthew Rycroft, Chief Operating Officer*

| <b>ACTIONS</b>   | <b>Start</b> | <b>End</b> |
|--|--------------|------------|
| <b>2.2 Coordinate more effective UK cross-government engagement with emerging powers and key selected countries including through a shift in FCO resources</b>   |              |            |
| i. Deliver Ministerial visits to China, Japan, Indonesia, Russia, United States, Brazil, Mexico, Colombia, Nigeria and Realm and Diamond Jubilee visits to the Caribbean and Canada which deliver on UK prosperity objectives  | Started      | Dec 2012   |
| ii. Increase resources in China, South East Asia, India, Americas, Africa, Turkey and Central Asia offset by savings elsewhere on the network including a reduced footprint in Iraq and Afghanistan  | Started      | Mar 2015   |
| iii. Complete reshaping of FCO-BIS Science and Innovation Network to strengthen presence in key emerging economies and increase staff resource for prosperity work   | Started      | Dec 2015   |
| iv. Hold annual PM/Presidential level meetings and broader ministerial engagement to continue a strong, close and frank relationship with the US   | Started      | Mar 2013   |
|  |              |            |
| <b>2.3 Pursue an active and activist British policy in Europe and the EU to protect and advance British national interests</b>   |              |            |
| i. Promote decisive action by the Eurozone to restore financial stability; and lead a pro-growth coalition in Europe which will extend the Single Market and reduce EU regulatory burdens, protect UK interests in financial services and avoid a real terms increase in the EU's budget for 2014-20 | Started      | Feb 2013   |
| ii. Support further enlargement of the EU, and promote stability in the Western Balkans, through introducing the EU Accession Bill (Croatia) into Parliament   | Started      | June 2013  |
| iii. Use FCO programme funds of at least £3 million to support EU accession in Albania, Bosnia and Herzegovina, Kosovo, Macedonia, Montenegro, Serbia and Turkey   | Started      | Dec 2015   |
| iv. Work closely with the Ministry of Justice to ensure timely and effective implementation of the reform measures for the European Court of Human Rights adopted at the Brighton Conference   | Started      | Dec 2013   |
| v. Agree an ambitious external human rights strategy for the EU  | Started      | Oct 2012   |
|  |              |            |

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| <b>ACTIONS</b> |   | <b>Start</b> | <b>End</b> |
|----------------|---|--------------|------------|
| <b>2.4</b>     | <b>Promote a stronger, more sustainable global economy and advance UK interests under an international rules based system which contributes to the welfare of developing countries and their citizens</b> |              |            |
|                | i. Shape the G20 agenda to advance global economic governance, green growth, and trade liberalisation. Use the UK G8 Presidency in 2013 to achieve UK security and prosperity objectives                  | Started      | Dec 2015   |
|                | ii. Contribute to HMG efforts on international anti-corruption, particularly in holding other countries properly to account on anti-bribery and corruption behaviour                                      | Started      | Mar 2014   |
|                | iii. Lobby to secure international action to prevent energy security threats. Support UK energy companies in achieving major new contracts  | Started      | Dec 2015   |
|                | iv. Lobby for an international shift to low-carbon growth and, with DECC, to ensure countries fulfil their Durban commitments to negotiate a new treaty and identify more emissions cuts                  | Started      | Dec 2015   |
|                | v. Through UK attendance at Rio+20 in June 2012, shape the debate on the Sustainable Development agenda (and Green Economy)   | Started      | Jun 2012   |
|                | vi. Contribute to UK development objectives, including to shape the post 2015 framework and to promote the Africa Free Trade Initiative (AfTI), working with DFID   | Started      | Dec 2013   |
|                | vii. Publish clear guidance for UK companies on avoiding negative human rights impacts through their operations   | Started      | Sep 2012   |
| <b>2.5</b>     | <b>Control migration to secure the UK's borders and to promote the UK's prosperity and our ability to attract the brightest and best from the global talent pool, working with UKBA</b>                   |              |            |
|                | i. Create partnership with migration priority countries through capacity building projects and reintegration assistance for returning nationals   | Started      | Mar 2015   |
|                | ii. Working with other departments, substantially increase enforced returns of Foreign National Offenders and Failed Asylum Seekers to priority countries   | Started      | Mar 2013   |

### 3. Support British nationals around the world through modern and efficient consular services

*Lead: Barbara Woodward, Director General Economic & Consular; Matthew Rycroft, Chief Operating Officer*

| <b>ACTIONS</b> |  | <b>Start</b> | <b>End</b> |
|----------------|--|--------------|------------|
| <b>3.1</b>     | <b>Improve the high quality Consular response which the FCO consistently provides across its network and improve our consular crisis response to respond effectively to any crisis affecting British nationals</b>                     |              |            |
|                | i. Stop or reform non-emergency services to focus on British nationals in distress. Deliver consular services – where more efficient – online, by telephone or in partnership with NGOs, commercial organisations or other governments | Started      | Mar 2015   |
|                | ii. Improve crisis planning and preparedness, open new Crisis Management Centre and deliver improved crisis I T  | Started      | Mar 2013   |
|                | iii. Work with the Identity & Passport Service (IPS) to enable them to assume full responsibility for the integrated operation   | Started      | Apr 2014   |

## C) Departmental expenditure

### Planned expenditure and major projects <sup>1</sup>

This section sets out the Department's planned expenditure over the Spending Review period, as agreed with the Treasury, and expected cost for the 2012/13 financial year on the Department's major projects.

| Planned expenditure (£bn)                                 | 2011/12 (forecast outturn) <sup>2</sup> | 2012/13    | 2013/14    | 2014/15    |
|---|---|------------|------------|------------|
| <b>Total departmental expenditure limits</b> <sup>3</sup> | <b>1.6</b>                              | <b>1.6</b> | <b>1.5</b> | <b>1.3</b> |
| Administration spending                                   | 0.2                                     | 0.2        | 0.2        | 0.2        |
| Programme spending  | 1.3                                     | 1.4        | 1.2        | 1.0        |
| Capital spending  | 0.1                                     | 0.1        | 0.1        | 0.1        |

| Major projects expected cost (top 4, £m) | 2012/13   | Whole life cost |
|--|-----------|-----------------|
| IT (Echo)                                | 15        | 82              |
| New Embassy (Jakarta)                    | 14        | 29              |
| New BHC (Abuja)                          | 2         | 27              |
| Office Refurbishment (Tel Aviv)          | 2         | 19              |
| <b>Total (all major projects)</b>        | <b>80</b> | <b>542</b>      |

#### Definitions:

*Administration spending:* the costs of all central government administration other than the costs of direct frontline service provision

*Programme spending:* spending on activities, goods and services, such as pay and benefits (excl. administration spending as defined above)

*Capital spending:* spending on assets with a lasting value, such as buildings and equipment

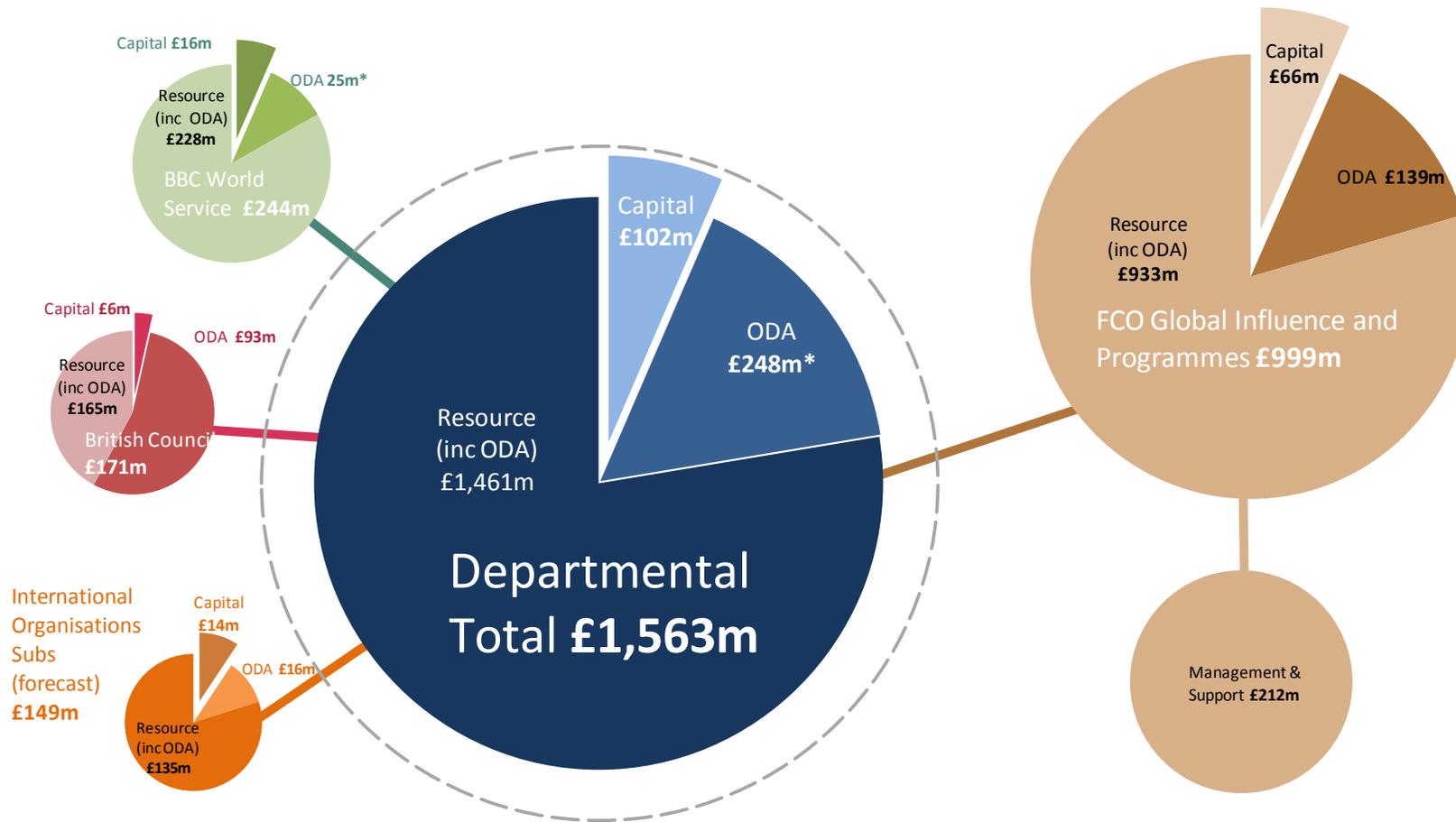
<sup>1</sup> Excludes departmental Annually Managed Expenditure. Numbers may not sum due to rounding

<sup>2</sup> These numbers are drawn from Internal Management accounts and have not been subject to NAO audit. They may still be subject to accounting adjustments

<sup>3</sup> Excludes depreciation

# Indicative budget allocation

This chart sets out further detail on how the Department's settlement will be allocated for the 2012/13 financial year across our key programmes and activities.



- This bubble chart is provisional and for illustrative purposes based on current plans. Departmental figures exclude depreciation. The departmental total includes funding for Arms Length Bodies including BBC World Service and British Council.

\*-2012-13 ODA Target is £248m which excludes BBC World Service.

-A separate Treasury settlement covering international peacekeeping costs and the tri-departmental Conflict Pool is managed by DfID, FCO and MoD and is not therefore included in these figures. This separate settlement is forecast at £644m for FY 2012-13.

## Departmental efficiency

This data allows the public to compare the Department's operations to other organisations by setting out the cost of common operational areas, and sets out the Department's efficiency plans for 2012/13.

| Spending Category            | Latest Data (Q3 2011)       | Actions to improve operational efficiency in 2012/13  |
|------------------------------|-----------------------------|---|
| <b>Estates</b>               | 53,562                      | Continuing the programme of consolidation of the core estate, to enable vacation of two buildings by FY 2013-14 and achieve the full estimated savings of £5m per annum. Estates data refers to the UK only.  |
| <b>Procurement</b>           | £310m                       | Procurement is focussing on reducing expenditure through regional and local scrutiny of our spend overseas, augmented by global initiatives driven from the centre, including efficiencies from our IT infrastructure and rationalisation of our security, on which we will continue to place a significant emphasis. Examples include a new way of contracting for estates professional services which is estimated to deliver savings of £2.5m over 4 years and a new joint Iraq/Afghan life support contract estimated to deliver £7.2m over 3 years. Commercial capability will continue to increase across our network, driven by centrally co-ordinated savings programmes, better management information and improved web-based guidance materials |
| <b>Fraud, Error and Debt</b> | £16,000, £0.00, £10,000,000 | Investigate the possibility of using data analytics to better identify impropriety, and review the application of prescribed controls.  |
| <b>HR</b>                    | 4,500                       | Reduce UK Based headcount by 2.5% through natural wastage and control of recruitment. Overseas jobs to decrease in line with staff reductions and more cost-effective ways requiring less UKB staff.  |
| <b>Major Projects</b>        | £167m                       | In 2012/13 and beyond, our major projects activity will continue to focus on 2 major areas: our IT strategy will continue to transform the Office through new communications infrastructure and re-procurement of our desktop and ERP solution and 3 major construction projects are underway which are part of our estates rationalisation.  |

| Spending Category                       | Latest Data (Q3 2011)     | Actions to improve operational efficiency in 2012/13   |
|---|---------------------------|--|
| <b>Information Technology</b>           | £42m                      | This strategy is focussed on delivering as much benefit as possible from our existing ICT estate, reducing our carbon footprint and driving down the cost of services. More efficient IT: the cost of running our IT will reduce by at least 33% by 2015 (compared to the 2010/11 baseline). |
| <b>SMEs and Voluntary Organisations</b> | £20m <sup>1</sup> , £0.00 | The measurement of spend with SMEs and VCS organisations is difficult in an overseas context but work is ongoing to devise a method to measure UK spend with SME and VCS suppliers which will be checked again at year end.  |

<sup>1</sup> Annual figure as at March 2011.

## D) Transparency

### Indicators and other key data

The Department has adopted the following input and impact indicators to help the public assess the effects of policies and reforms on the cost and impact of public services. These indicators and the other data specified here and in our Open Data Strategy, will be regularly published online.

| Description  | Type of data     |
|--|------------------|
| <b>General</b>   |                  |
| The FCO is working towards developing a system of metrics for Diplomatic Excellence, to help assess progress towards its vision of being the best diplomatic service in the world by 2015.         | Impact indicator |
| Total FCO expenditure on Official Development Assistance (ODA) and percentage of total UK ODA contributed by the FCO (annual figure Apr-Mar)   | Other Key Data   |
| Average cost of a UK diplomatic mission/embassy  | Other Key Data   |
| <b>To safeguard Britain's national security by countering terrorism and weapons proliferation and working to reduce conflict.</b>  |                  |
| Progress toward a stable and secure Afghanistan (as indicated by the Government Effectiveness Worldwide Governance Indicator, in addition to monthly written updates to Parliament) (annual data). | Impact indicator |
| More effective, joined-up international system to prevent conflict and build capacity in fragile states (annual data).   | Impact indicator |
| <b>Build Britain's prosperity by increasing exports and investment, opening markets, ensuring access to resources, and promoting sustainable growth</b>  |                  |
| Average Unit Cost per Foreign Direct Investment Project attracted to the UK with UKTI involvement (annual data) £ thousands.   | Input indicator  |
| Average Unit Cost per UK Business helped to improve their performance overseas through internationalisation (Annual data).   | Input indicator  |
| Number of Foreign Direct Investment projects attracted to the UK with UKTI involvement (annual data).  | Impact indicator |
| Number of UK Businesses helped to improve their performance through internationalisation (annual data).  | Impact indicator |
| Trend in the gap between currently anticipated low carbon investment, and the low carbon investment required to meet the 2°C target measured in \$ trillion (annual data).                         | Impact indicator |

| Description  | Type of data     |
|--|------------------|
| <b>Support British nationals around the world through modern and efficient consular services</b>   |                  |
| Total cost of delivering consular assistance to British nationals and total costs for providing official documents (notarial and documentary services) Annual indicator £ millions (annual figures). | Input indicator  |
| Better consular service to British nationals abroad as indicated by customer satisfaction.   | Impact indicator |

## Open data

This section sets out as a summary FCO's commitment to open data. Further details, including what new datasets will be published when, will be set out in full in FCO's Open Data Strategy, to be published this summer.

The FCO publishes a range of corporate and policy information on the main FCO website ([www.fco.gov.uk/transparency](http://www.fco.gov.uk/transparency)) and on sites owned by our network of posts around the world: some examples are below. We are one of a handful of diplomatic services to engage seriously with digital media – including the use of social media by ministers and officials. We will continue to push the boundaries of digital engagement, including in better delivery of consular services to British nationals overseas. We will be as open as possible with Parliament and the public, and we see greater openness as an integral part of the UK's active and activist foreign policy: just as we work for greater transparency in foreign governments, we recognise that we must match this with a greater level of ambition in terms of our own transparency. However, some of our work is sensitive and we will adopt a pragmatic approach, only withholding information where disclosure would not be in the public interest – e.g. data which could be used to harm the UK's foreign policy interests or the security of our staff.

Improving our performance on open data and transparency and applying the government's open data principles means a cultural shift for the organisation and a more pro-active approach. It represents a particular challenge for the FCO given the dispersed nature of our global workforce, where many corporate processes and decisions are devolved to the network. To drive this work forwards and ensure best practice across the FCO we will establish a new Transparency Unit in 2012.