

DECLASSIFIED



Nemat (Minouche) Shafik  
Permanent Secretary

Sir Gus O'Donnell KCB  
Secretary of the Cabinet and Head of  
the Home Civil Service  
Cabinet Office  
70 Whitehall  
London SW1A 2AS

**DFID** Department for  
International  
Development

Leading the British Government's fight  
against world poverty

1 Palace Street, London SW1E 5HE

Direct Line  
Direct Fax  
Email

16 February 2009

Dear Gus,

#### CIVIL EFFECT

Thank you for your letter of 20 January addressed to Matthew Gould. As DFID chairs the Stabilisation Unit Board, I have agreed with colleagues in FCO and MOD that I would reply on our behalf. We welcome your continued and close interest in this important area of cross Whitehall work.

At NSID(OD) on 21 January, the three Secretaries of State agreed proposals to enhance our national civil effect capability, recommended by the recent Cabinet Office Review. We have already made significant progress in delivering the Prime Minister's commitment to create a 1000-strong deployable civilian capacity. The existing 950-strong deployable civilian experts database is currently being reviewed to enhance both the quality and number of experts available – this will be done by April well ahead of the NSS refresh in summer 2009.

The Secretaries of State also agreed that the Review's proposals present a sensible balance between ambition and realism for this CSR period, but noted that current resourcing difficulties may limit the number of actual deployments. We should look again at the size of our capability in the next Spending Review.

Over the last year, as you note, significant progress has been made on a number of fronts. The Stabilisation Unit has played a substantial role through its deployment of capable civilians to hostile environments (notably Helmand), contributed to military pre-deployment training, and enhanced our understanding of the stabilisation environment. We should continue to



INVESTOR IN PEOPLE

Switchboard +44 (0) 20 7023 0000

Fax +44 (0) 20 7023 0019

[www.dfid.gov.uk](http://www.dfid.gov.uk)

DECLASSIFIED

# DECLASSIFIED

build on these advances, by rationalising the currently scattered responsibilities for civil effect, enhancing the role of the Unit, and strengthening its governance and ownership.

But the Review rightly identified a number of areas where we need to do better. Significant steps have already been taken to strengthen the Unit's governance arrangements. The Cabinet Office Review recommended that the Unit should be fully owned by DFID. We have already agreed that DFID will take increased responsibility with immediate effect, though some funding issues may need to be resolved in a spending review context. I have asked, and the FCO and MOD agreed at the Stabilisation Unit Board in November, that the DFID Director chairing the Board (Moazzam Malik) should act as SRO for the Unit. A DFID Director will, therefore, be responsible for developing capability and the overall performance of the Unit, and will give the task the priority required to deliver the changes we have agreed. Additionally I have asked the DFID South Asia Director to take a direct and close interest in the Stabilisation Unit's delivery in Helmand.

More broadly, we have agreed that the interdepartmental Director-level Stabilisation Unit Board needs to provide more active governance and direction for the Unit than had been the case in the past; identifying and resolving problems and ensuring that the Unit has a clear sense of purpose and direction so that it can deliver the capability and effect we are seeking. The Conflict PSA Delivery Board, chaired by Peter Ricketts, will also have an important role to play in ensuring the Unit makes its contribution.

These measures have already been put into place to give the Stabilisation Unit the top level leadership it needs to deliver enhanced civil effect while retaining its tri-departmental nature. I will keep these arrangements, including the potential for a single Director head of the Unit, under review over the coming months to ensure that the enhanced Unit is able to meet Ministerial aspirations.

An Implementation Team is being recruited to provide additional short term capacity to implement the Review's recommendations. It will be headed at Director level and we are redoubling our efforts to recruit a suitable individual. I hope to secure the right person for this post by the end of the month. Work is, however, already underway with staff recruited to the team from DFID and the Stabilisation Unit; the MOD member will join on 23 February. FCO is re-trawling for the fourth member.

In discussion of the Review, Permanent Secretaries have agreed that the costs of the administrative enhancements, which should not exceed £7 million, will be shared equally between the three Departments in the short term with long term arrangements being agreed in the next Spending Review. The Implementation Team will carry out early work on these costings so that we can resolve any funding issues quickly.

# DECLASSIFIED

DECLASSIFIED

I am confident that these arrangements will deliver substantial progress – including on the Prime Ministers commitment to a 1000-strong deployable capacity - by the time of the National Security Strategy update in the summer. Whilst DFID will lead the work to deliver the capabilities, we will need FCO and MOD support and Cabinet Office engagement in an number of important areas, for example the creation of a Civil Service Stabilisation Cadre. Moazzam Malik has already discussed this with Margaret Aldred.

This letter has been agreed with colleagues in FCO, MOD and Cabinet Office (Margaret Aldred).

I am sending a copy of this letter to Matthew Gould and Peter Ricketts (FCO), Paul Rimmer and Bill Jeffrey (MOD), Simon McDonald and Margaret Aldred (Cabinet Office), and to Jeremy Heywood and Tom Fletcher (No 10).

A handwritten signature in dark ink, appearing to read 'Minouche Shafik', with a large, sweeping initial 'M'.

MINOUCHE SHAFIK

DECLASSIFIED