



House of Commons
International Development
Committee

Appointment of the Chief Commissioner of the Independent Commission for Aid Impact

First Report of Session 2010–11

Volume I

Report, together with formal minutes

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International Development Committee

The International Development Committee is appointed by the House of Commons to examine the expenditure, administration, and policy of the Department for International Development and its associated public bodies.

Current membership

Rt Hon. Malcolm Bruce MP, (*Liberal Democrat, Gordon*) (Chairman)
Hugh Bayley MP, (*Labour, City of York*)
Mr Russell Brown MP, (*Labour, Dumfries, Galloway*)
Richard Burden MP, (*Labour, Birmingham, Northfield*)
James Clappison MP, (*Conservative, Hertsmere*)
Richard Harrington MP, (*Conservative, Watford*)
Pauline Latham MP, (*Conservative, Mid Derbyshire*)
Jeremy Lefroy (*Conservative, Stafford*)
Ann McKechin MP, (*Labour, Glasgow North*)
Anas Sarwar MP, (*Labour, Glasgow Central*)
Chris White MP, (*Conservative, Warwick and Leamington*)

Publications

The Reports and evidence of the Committee are published by The Stationery Office by Order of the House. All publications of the Committee (including press notices) are on the Internet at www.parliament.uk/indcom

Committee staff

The staff of the Committee are David Harrison (Clerk), Mick Hillyard (Second Clerk), Anna Dickson (Committee Specialist), Chlöe Challender (Committee Specialist), Ian Hook (Senior Committee Assistant), Vanessa Hallinan (Committee Assistant), and Nicholas Davies (Media Officer).

Contacts

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1 Report

Recommendation on appointment

1. The Coalition Government believes that the:

‘British taxpayer must be confident that the Government’s development work has been shown *independently* to have produced results and saved lives. Retaining public confidence in the credibility and impact of our aid programme necessitates tougher, independent evaluation. That is why the Independent Commission for Aid Impact (ICAI) is being established.’¹

2. The Independent Commission will be led by a Chief Commissioner who will be responsible for the ‘independent scrutiny of British aid and ensuring transparent, impartial and objective evaluations’. The Commission will also include three other Commissioners and a small secretariat. Evaluations, investigations and Value for Money reviews will be undertaken by a contractor who is likely to be appointed by March 2011. Initially, the ICAI will be a shadow body which is expected to become permanent by May 2011.² Background information on the role of the Chief Commissioner and the ICAI is set out in a note from DFID which is published as Appendix 1.

3. On 11 October 2010 the Secretary of State wrote to the Chair of the IDC informing him of the Government’s proposed candidate for Chief Commissioner, Mr Graham Ward.³ The Secretary of State invited the Committee to hold a pre-appointment hearing.

4. The Committee held the hearing on 26 October. Mr Ward was questioned on the selection process, his independence, his expertise, the establishment of the ICAI, his priorities for the work of the ICAI, including how projects should be evaluated and his relationship with this Committee.⁴ **The Committee is pleased to endorse Mr Graham Ward’s candidacy for the post.**

1 See Appendix 1: Chief Commissioner for ICAI–job specification (Note from DFID to the Committee)

2 Information provided to the Committee by the Department for International Development

3 The letter from the Secretary of State is published as Appendix 2, Mr Ward’s CV as Appendix 3.

4 Evidence taken on 26 October 2010 with Mr Graham Ward, the Government’s preferred candidate for Chief Commissioner of the Independent Commission for Aid Impact, HC 551-i, Session 2010-11

Conclusions and recommendations

Recommendation on appointment

1. The Committee is pleased to endorse Mr Graham Ward's candidacy for the post. (Paragraph 4)

Appendix 1: Chief Commissioner for ICAI– job specification (Note from DFID to the Committee)

(FOR SHADOW BODY–TO BE MODIFIED WHEN PERMANENT STATUS
ESTABLISHED)

CHIEF COMMISSIONER FOR INDEPENDENT COMMISSION FOR AID IMPACT (ICAI)–JOB SPECIFICATION

Name: Chief Commissioner of the Independent Commission for Aid Impact

Purpose: Independent scrutiny of all British aid, to improve accountability, impact, results and value for money.

Scope: Evaluation of any British aid classified as Official Development Assistance (ODA).

Reporting: Directly accountable to Parliament (through Chair of International Development Committee).

Location: London for first 9 months. (TBC for permanent body based on cost-effectiveness and contract-led).

Remuneration: 30 days during initial 9 months, then 45 days per annum (at £600 daily rate), with the scope for some additional days. Approx 1 day per week.

Term: Initial appointment of 9 months (under shadow body) with pre-appointment hearing by International Development Select Committee. Fixed term appointment of another 4 years under permanent body (subject to confirmation by the Commissioner for Public Appointments)

Qualities/experience:

Essential to have the profile to command respect and credibility with Parliament and external stakeholders and to demonstrate:

- Independence from Government and specific interest groups (where potential conflicts of interest);
- Strong track record in scrutiny (private, public or voluntary sector experience);
- Broad understanding of public policy and interest in development and international affairs;

- Ability to represent the Watchdog with a wide range of domestic and international audiences;
- Adherence to the Seven Principles of Public Life (the Nolan principles) and the highest levels of professional integrity and propriety.

Responsibilities:

Chief Commissioner should lead a shadow Independent Commission to:

- Engage in establishing the Independent Commission (including at relevant points in the procurement process and review of structures);
- Agree protocols with HMG and Parliament on respective roles and responsibilities (eg. media relations);
- Input to the recruitment process for a shadow Board of three Commissioners, run by the Appointments Commission;
- Consult with key stakeholders on priorities for future evaluation, including Parliament, Ministers, public and partner countries;
- Undertake initial work, including synthesis studies of existing evaluations and liaison with international partners.

Chief Commissioner should lead a permanent Board of Commissioners (if confirmed) to:

- Guarantee independence through the provision of strategic direction and public profile for the Independent Commission;
- Take high-level decisions on what British aid should be evaluated (consulting relevant stakeholders, including Parliament, public, Ministers);
- Champion the use of independent evaluation and gather evidence about the effectiveness, impact and value for money of British aid;
- Oversee delivery through a high performing contracted-out service provider, which produces or commissions independent evaluations;
- Assure high quality reports which are accessible to the public, academically credible and meet international standards;
- Lead reporting to the International Development Select Committee, through public evidence sessions as appropriate;
- Contribute to strengthening the impact of British aid, through monitoring implementation and providing feedback to Government;
- Communicate results of evaluation reports effectively to domestic and international audiences, through report publication, transparency of information on website and media engagement on specific reports.

Tools:

Utilise a range of appropriate tools, including:

- Country programme evaluations;
- Thematic evaluations;
- Short reviews / Investigations;
- Policy evaluations;
- Multilateral evaluations;
- Joint evaluations with other donors;
- Website / seminars / dissemination.

Background

“We will honour our aid commitments, but at the same time will ensure much greater transparency and scrutiny of aid spending to deliver value for money for British taxpayers and to maximise the impact of our aid budget” (The Coalition: Our Programme for Government)

The Coalition Agreement set out how the Government’s pledge to increase aid spending would be matched by a commitment to greater transparency and increased scrutiny. The Government’s commitment to spend 0.7% of GNI on ODA (Official Development Assistance) by 2013 imposes a duty to secure value for money, ensure accountability to the British public and build on what works.

To guarantee this, all British aid must be independently evaluated. The British taxpayer must be confident that the Government’s development work has been shown *independently* to have produced results and saved lives. Retaining public confidence in the credibility and impact of our aid programme necessitates tougher, independent evaluation. That is why the Independent Commission for Aid Impact is being established.

The Independent Commission will be led by a Chief Commissioner, who should be independent and clearly separated from DFID. S/he will be directly accountable to Parliament. The Chief Commissioner will report to the Chair of the International Development Select Committee. This will strengthen independence and accountability.

The Chief Commissioner will be responsible for the independent scrutiny of British aid and ensuring transparent, impartial and objective evaluations. S/he will head a small Board of Commissioners, take strategic decisions on what should be evaluated, gather evidence about results and oversee a contracted service provider. Greater transparency will be guaranteed through publication of reports and making all information accessible to the British public and partner countries.

The Chief Commissioner will also provide strong feedback from independent evaluations into Government decision making, to ensure that recommendations lead to

change. They will play a vital role in championing the use of evidence from independent evaluations, to allow the UK to spend more aid on what works best and achieve 100 pence of value for every development pound spent.

Appendix 2: Letter from the Secretary of State for International Development

11 October 2010

Dear Malcolm,

PRE-APPOINTMENT HEARING FOR CHIEF COMMISSIONER

I am writing to inform you of the Government's proposed candidate for the post of Chief Commissioner of the Independent Commission for Aid Impact (ICAI) and to invite the International Development Committee (IDC) to hold a preappointment hearing.

The Government's proposed candidate is Graham Ward—a former President of the Institute of Chartered Accountants in England and Wales (ICAEW) and a former President of the International Federation of Accountants (IFAC). He would bring an enormous amount of credibility and scrutiny experience to the role of Chief Commissioner. I enclose a copy of Graham's CV, which he has agreed to share with the IDC (see Appendix 2).

Prior to the pre-appointment hearing, my officials will provide your Committee with relevant background information, in line with the Cabinet Office Guidance on pre-appointment hearings by Select Committees (2009).

Thank you for the vital role being played by the IDC in establishing the ICAI. The appointment of the Chief Commissioner, initially for 9 months during the shadow period, will be a key milestone in establishing the ICAI. I look forward to further discussions.

ANDREW MITCHELL

Appendix 3: CV for Mr Graham Ward

Graham N C Ward CBE MAFCA FEI CIGEM FRSA

Graham Ward is a former World Utilities Leader of the PricewaterhouseCoopers (PwC) network of firms, a former President of the Institute of Chartered Accountants in England and Wales (ICAEW) and a former President of the International Federation of Accountants (IFAC). He retired from the PwC partnership on 31 January 2010.

PERSONAL QUALITIES AND EXPERIENCE

Successful leader

PricewaterhouseCoopers is the leading global network of professional services firms with approximately 8,500 partners, employing over 160,000 people and with annual revenues in excess of US\$26 billion. As European, then Global leader of the multi-disciplinary utilities practice, from 1991 to 2000, Graham led its growth into a multi-disciplinary team serving clients in more than 100 countries with revenues increasing from US\$ 50 million to US\$700 million.

Career Summary

2007–2010: Partner, Assurance National

- Lead negotiator on behalf of the UK in liberalising Indo-UK trade in accountancy
- Achieved liberalisation of accountancy training in India, two Memoranda of Understanding between UK Institutes and Indian Institutes including mutual recognition of qualifications
- Auditor of the Duchy of Cornwall (personal appointment)
- Global Relationship Partner for advisory work on a client in the transport sector and audit and advisory work for a client in the water sector.

2004–2006: President, International Federation of Accountants (IFAC)

- Led this organisation with more than 150 Member Institutes in more than 120 countries, representing more than 2,500,000 professional accountants.
- Implemented a reorganisation of IFAC's governance arrangements, including the establishment of the international Public Interest Oversight Board, thereby obtaining the confidence of the European Commission, the Financial Stability Forum and international regulatory bodies in the governance and effectiveness of IFAC's standard setting boards and the quality of their standards
- Led the promotion of accountancy in developing nations, strengthened support for professional accountants in business and for SMEs.

2001–2004: Partner, Assurance National

- Vice Chairman: UK Auditing Practices Board, jointly leading the development of Ethical Standards for Auditing in the UK and adoption of International Standards on Auditing in the UK.
- Led two trade bodies in the energy sector, bringing together disparate interests to promote exports and to formulate an effective energy policy.
- Member of DTI Working Group on Practical Guidance for Directors in respect of the OFR

2000–2001: President, Institute of Chartered Accountants in England and Wales

- Led the premier institute of professional accountants in the UK
- Led the implementation and acceptance by Government of a new regulatory system for the accountancy profession in the UK
- Represented the UK profession to the US Securities Exchange Commission on professional independence, with a successful outcome
- Represented the UK profession to the European Commission to achieve their acceptance of International Accounting Standards

1994–2000: World Utilities Leader

- Grew this multi-disciplinary practice to an annual turnover of US\$700 million and a reach of more than 100 countries, working as an integrated team
- Member of the World Firm General Council
- Served a major client in the insurance sector

1990–1994: Partner Utilities, Corporate Finance and Marketing

- Head of the multi-disciplinary electricity sector practice in Europe
- Head of Corporate Finance for Scandinavia
- Served two major clients in the insurance sector
- Chaired the Working Party (joint Accountants and Actuaries) which developed the achieved profits method of accounting for life assurance

1987–1990: Partner, Privatisation Services

- Directed the Price Waterhouse team advising the Electricity Council, then the twelve Regional Electricity Companies on their privatisation
- Served a major client in the insurance sector
- Chairman of the London Society of Chartered Accountants

1986: Partner

- Admitted to the Partnership
- Founded the PW Pensions Advisory Service and recruited the first Actuary into the Practice
- Served a major client in the insurance sector

1974–1985: Various roles in Price Waterhouse UK

- Served two major clients in the insurance sector and a variety of other clients
- Seconded to HM Treasury for eight months, working on accounting and economics of infrastructure industries and supervision of the electricity supply industry
- Co-chaired a joint accounting/actuarial task force on insurance accounting
- Co-chaired a joint accounting/actuarial task force on pension cost accounting
- Member of Council of the Society of Pension Consultants
- Committee Member of the Pensions Research Accountants Group
- Qualified as a Chartered Accountant in 1977, taking second place in the final examination.

Experienced in India-UK Trade Policy

- Responsible for client and business relationships between UK and India 1995–2010
- Board Member of the UK-India Business Council 2005– (Vice Chairman 2008–, Chairman of Audit Committee 2008–)
- UK Co-Chairman of Indo-UK Joint Economic and Trade Committee (JETCO) Task Force on Accountancy 2005–2010
- Member of IFSL South Asia Advisory Group 2006–2010

Respected In the Energy and Business Communities

- Honorary Life Member of The 100 Group of Finance Directors, 2000–
- Vice Chair of the World Energy Council and Chair of its Finance Committee, 2008–
- Chairman of the British Energy Association, 2001–2004
- Chairman of the Power Sector Advisory Group of UK Trade and Investment 2001–2004

- Member of the Executive Council of the Parliamentary Group for Energy Studies, 1998–
- Member of the Financial Services Sector Advisory Board of UK Trade and Investment, 2006–2009
- Member of the Advisory Panel to the Review of the Regulatory Framework for Legal Services in England and Wales, carried out by Sir David Clementi, 2003–2004

Presentation and Advisory Skills

- Frequent speaker at business conferences on economic, commercial and professional issues.
- Has given 2000+ speeches in 50+ countries to audiences of up to 5000 people.
- Experienced interviewee on television and radio and in the written media.
- Respected chairman of public and private meetings, deriving from the positions of responsibility he has held.

Accomplished Professional

- President, The Institute of Chartered Accountants in England and Wales, 2000–2001
- President, The International Federation of Accountants, 2004–2006
- Member, The Financial Reporting Council (Deputy Chairman 2000–2001), 2000–2007
- Member, The Auditing Practices Board (Vice Chairman 2003–2004), 2001–2004
- Chairman, The Consultative Committee of Accountancy Bodies, 2000–2001
- Member, Panel on Takeovers and Mergers, 2000–2001

Publications

Many articles over a period of 30 years in the business and professional press, both in the UK and overseas.

1987 - The Work of a Pension Scheme Actuary (co-author)

1988 - Pensions: Your Way through the Maze (co-author)

1998 - The Benefits and Deficiencies of Energy Sector Liberalisation (Published by the World Energy Council, Vice Chairman of Study Group)

2004 - A Practitioner's Guide to Audit Regulation in the UK (Consultant Editor)

2009 - The Handbook of International Corporate Governance (Contributor)

CHARITABLE AND COMMUNITY INTERESTS

Worshipful Company of Chartered Accountants in England and Wales: Master, 2009 - 2010

Dulwich College: Governor, 2008–
Member of Finance Committee, 2008– (due to Chair from 2011)

Goodenough College: Governor 2000–2001; 2004–
Member of Audit Committee 2009 (Chairman 2010–)

St Paul's Cathedral: Financial Adviser, 2008–

Epilepsy Research UK: Vice President, 1997–

Chartered Accountants
in the Community: Chairman, 1996–2002

Charities Online
Financial Reporting Awards: Chairman of the Judges, 2003–

South East London
Common Purpose: Member of Council, 1993–1994

EDUCATION

- Dulwich College
- MA, Chemistry, Jesus College, Oxford (Captain of Oxford University Amateur Boxing Club)
- Fellow of the Institute of Chartered Accountants in England and Wales - Second place in the final examination
- Fellow of the Energy Institute (by experience)
- Companion of the Institution of Gas Engineers and Managers (by experience)
- FRSA

HONOUR

Appointed CBE in the 2004 Birthday Honours for services to exports

INTERESTS

Boxing, Rugby, Opera and Ballet

DATE OF BIRTH

9 May 1952

MARRIED

To Ann - three sons Peter (32) Andrew (30) and Alexander (14)

Formal Minutes

Members present:

Malcolm Bruce, in the Chair

Russell Brown	Pauline Latham
Richard Burden	Jeremy Lefroy
Mr James Clappison	Anas Sarwar
Richard Harrington	Chris White

Draft Report (*Appointment of the Chief Commissioner of the Independent Commission for Aid Impact*), proposed by the Chair, brought up and read.

Ordered, That the draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 4 read and agreed to.

Several papers were appended to the Report as Appendices 1 to 3.

Resolved, That the Report be the First Report of the Committee to the House.

Ordered, That the Chair make the Report to the House.

[Adjourned till Tuesday 9 November at 10.00 am

List of witnesses

Tuesday 26 July 2010

Mr Graham Ward, the Government's preferred candidate for Chief Commissioner of the Independent Commission on Aid Impact

List of Reports from the Committee during the current Parliament

The reference number of the Government's response to each Report is printed in brackets after the HC printing number.

Session 2010-11

First Special Report	DFID's Performance in 2008-09 and the 2009 White Paper: Government Response to the Committee's Fourth Report of Session 2009-10	HC 452
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