23 - 06-10-2025 - Letter from PUS FCDO to CST

Foreign, Commonwealth and Development Office
King Charles Street, London SW1A 2AH

From the Permanent Under Secretary

James Murray MP
Chief Secretary to the Treasury
1 Horseguards Road
London SW1A 2HQ

6 October 2025

[Dear Chief Secretary,]

SPECIAL SEVERANCE PAYMENT

I attach the Business Case for a Special Severance Payment to Lord Mandelson following his withdrawal as HMA Washington last month. The FCDO wishes to pay £40,330 in lieu of three months' notice, plus a termination payment of £34,670. While the total amount of the payment (£75,000) is within our delegated authority, the case will attract public interest so I would be grateful for your approval.

2. This represents good value for money. LPP

The proposed severance payment will be subject to the individual signing a Settlement Agreement which contains undertakings that the agreement is in full and final settlement of all claims, and includes confidentiality undertakings related to the payment. The Department will not publish the detail of this payment. For information, we do disclose exit payments values and numbers in the Staff Report in our accounts in banded groupings by amount but do not disclose the names of individuals. Last year there were 57 payments in the £50-100,000 band.

3. Given that Lord Mandelson remains employed by the Department on full pay, but is not redeployable, I would be grateful for your urgent consideration of this Business Case.

4. I am copying this letter to Darren Jones (CDL), Dan York-Smith (PPS/No 10), Caroline Hurndall (PPS/Foreign Secretary), Chris Wormald (Cabinet Office), James Bowler (HMT) and colleagues here.

[Yours ever,]

OLIVER ROBBINS