

DFID Management Response to the Independent Commission for Aid Impact recommendations on:

DFID's Work through UNICEF, March 2013

ICAI Recommendation	Accept/ Reject	Action already taken	Action to be taken	Target date
<p>Recommendation 1:</p> <p>DFID should manage its relationship with UNICEF as a strategic delivery partner, by maintaining regular oversight of its UNICEF portfolio as a whole and managing UNICEF relationships with a greater focus on results and value for money.</p>	Accept	<ul style="list-style-type: none"> DFID's already manages its relationship with UNICEF strategically. DFID's assessment of UNICEF in its Multilateral Aid Review (MAR) in 2011 clearly articulated UNICEF's strengths and weaknesses as a strategic delivery partner, based on evidence. Since the MAR, DFID has focused on implementation by UNICEF of the agreed reform priorities, which major on strengthened results and value for money. DFID formally assessed UNICEF's procurement capability in November 2012 (DFID Procurement Capability Review of UNICEF) and agreed with UNICEF key actions it needs to take to achieve better results and value for money. DFID and UNICEF have agreed to meet every 6 months to monitor improvements. DFID has set up a virtual group of country offices who are working with UNICEF as a delivery partner. This will enable UNCD to intervene proactively to provide advice in specific stages of the programme management cycle. Not only will this complement good practice, DFID will have more regular oversight of the whole UNICEF portfolio. 	<p>DFID will set up regular review meetings with UNICEF to oversee the whole DFID UNICEF portfolio and manage the relationship with an even greater focus on results and value for money.</p> <p>DFID will update its MAR assessment of UNICEF's value for money for UK aid, by assessing UNICEF's progress in implementing the agreed reform priorities.</p>	<p>October 2013</p> <p>December 2013</p>
<p>Recommendation 2:</p> <p>DFID should negotiate an updated global Framework</p>	Accept	<ul style="list-style-type: none"> DFID has worked closely with its country offices to collect evidence on the key improvements needed to the Framework Arrangement to enable 	DFID will formally open negotiations with UNICEF on updating the Framework Arrangement by May	May 2013

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Arrangement with UNICEF, which reflects current best practice in management of the partnership, clarifies procurement charges and is aligned more closely with DFID's approach to managing commercial contractors.		better results and value for money. DFID's priorities for the new Framework Arrangement reflect best practice.	2013.	
Recommendation 3: DFID should strengthen its management of UNICEF's local programme delivery, building on good practice seen in some DFID country offices and reflecting approaches used to manage other types of service delivery partner.	Accept	<ul style="list-style-type: none"> • DFID has made substantial improvements to its programme delivery across the board through its new Business Case for programmes, which requires assessment of different options, introduction of new due diligence requirements on 1 January 2013 and creation of a new staff cadre of specialists in programme management. • DFID actively disseminates examples of good practice in working with UN agencies, including UNICEF, as delivery partners through UNCD's newsletter and agency case studies. 	DFID will disseminate to its country offices a good practice note specifically on working with UNICEF as a delivery partner.	May 2013