

DFID

# Improvement Plan

# Foreword

## Foreword by the Departmental Board

The Department for International Development (DFID) leads the Government's fight against world poverty, delivering policies and programmes with other Government departments to improve the lives of the world's poorest people. The Department is working to end the need for aid by creating jobs, unlocking the potential of girls and women and helping to save lives when humanitarian emergencies hit.

DFID makes an important contribution in Whitehall to the work of the National Security Council (NSC), and has a growing focus on the 'golden thread' – supporting countries to grow and reduce poverty by focusing on policies for growth, stable government, tackling corruption, human rights, the rule of law, and transparent information.

The 2012 Capability Review<sup>1</sup> concluded that DFID was a leader amongst donors with highly engaged and professional staff; had responded rapidly to new ministerial priorities; and set out clearly the direction and the results it would work to deliver. The OECD Development Assistance Committee recently reaffirmed DFID's position as a global leader, playing '*a key role in the donor community and is actively involved in shaping the development agenda at the global level*'<sup>2</sup>.

The 2012 Capability Review said that DFID needed to strengthen leadership and management skills making them more consistent across the organisation; integrate the new policy areas of private sector and climate change faster; and do better on the 'Value for Money' agenda.

This Improvement Plan sets out how DFID plans to build on the conclusions of the 2012 Capability Review and make progress against the Civil Service Reform Plan.

## **What we do**

By 2015 the Department expects to have delivered its commitments in the Business Plan 2011-15<sup>3</sup> to:

- **Boost economic development by supporting programmes for growth and poverty reduction in developing countries**
  - Make British international development policy more focused on boosting growth and economic development. In the long run this will also support UK growth as market opportunities emerge from which UK businesses can benefit
- **Honour international commitments**
  - Honour the UK's international commitments and support actions to achieve the Millennium Development Goals
- **Drive transparency, value for money and open government**
  - Make British aid more effective by improving transparency, openness and value for money
- **Strengthen governance and security in fragile and conflict-affected countries and make UK humanitarian response more effective**
  - Improve the coherence and performance of British international development policy in fragile and conflict-affected countries
- **Lead international action to improve the lives of girls and women**
  - Empower girls and women so that their lives are significantly improved and sustainably transformed through better education, greater choice on family planning and preventing violence against them
- **Combat climate change**
  - Drive urgent action to tackle climate change, and support adaptation and low carbon growth in developing countries

<sup>1</sup> [old.dfid.gov.uk/Documents/.../DFID-Capability-Action-Plan-2012.pdf](http://old.dfid.gov.uk/Documents/.../DFID-Capability-Action-Plan-2012.pdf)

<sup>2</sup> From the recent OECD-DAC midterm peer review conclusions <https://www.gov.uk/government/.../letter-oecd-dac-uk-mid-term-review>

<sup>3</sup> <https://www.gov.uk/government/uploads/.../DFID-business-plan.pdf>

# Foreword

DFID has made a fundamental shift in its operations, with a focus on results that will transform the lives of people in poor and fragile states. This approach was quantified in detail in March 2011 in “Changing lives, Delivering Results”<sup>4</sup>.

The Department has ramped up frontline delivery to meet these ambitious commitments while simultaneously reducing its core administration costs. DFID has championed a new culture of value for money, transparency and accountability that will help end the need for aid by creating jobs, unlocking the potential of girls and women and helping to save lives when humanitarian emergencies hit.

## How we do it – ‘One Team’

DFID’s vision is to be effective, influential and inspiring, excelling in five areas:

1. Provide strong leadership;
2. Deliver development results at scale;
3. Improve impact and drive value for money;
4. Build support for our work and;
5. Look to the future.

### **To change lives and deliver results, DFID will:**

- Secure schooling for 11 million children – more than we educate in the UK but at 2.5% of the cost
- Support 13 countries to hold freer and fairer elections
- Help 10 million more women get access to modern family planning
- Provide 50 million people with the means to help work their way out of poverty
- Increase the number of people supported through DFID programmes to improve their rights to land and property
- Work to increase the number of women and girls with improved access to security and justice services through DFID support
- Help vaccinate more children against preventable diseases than there are people in the whole of England
- Provide access to safe drinking water and improved sanitation to more people than there are in Scotland, Wales and Northern Ireland
- Save the lives of 50,000 women in pregnancy and childbirth
- Stop 250,000 newborn babies dying needlessly
- Stop 10 million more children going hungry
- Help halve malaria deaths in 10 of the worst affected countries
- Help millions of poor people protect their livelihoods from the impact of climate change

### **To make UK aid work better DFID will focus on:**

- **Results and impact** – getting value for money from every pound of aid we spend
- **Unstable and conflict affected countries** – helping to build stability, remove the barriers to development and make the world a safer place
- **Investing in girls and women** – in every area of our work, from education to mother and child health
- **The private sector** – encouraging more private investment in poor countries to generate growth, jobs, trade and prosperity for all
- **Fewer countries** – concentrating our efforts where the need is greatest and we can have most impact, and stopping aid to countries that are becoming richer like China and Russia
- **Being transparent and accountable** – publishing everything we spend and being independently monitored and evaluated in everything we do
- **Innovation** – always being willing to try new approaches, like results-based aid where money is only handed over once clear results have been achieved

The Department, while continuing to deliver on these commitments, also needs to understand the changing development environment and follow up on the UN High Level Panel on the post 2015 framework and the UK’s Presidency of the G8. The Secretary of State is working with the Departmental Board to ensure DFID is fit to face these challenges after 2015.

This Improvement Plan is an integral part of the Department’s continuous improvement approach, enabling DFID to identify where progress has been made, what’s working and where we need to focus more effort to contribute to the Government’s ambitious poverty reduction commitments. The priority actions will be used to frame Senior Civil Service (SCS) objectives in the Department, hold the Permanent Secretary and Departmental Board to account on driving improvement and help the Department to continue delivering in the spirit of the DFID Vision.

<sup>4</sup> <https://www.gov.uk/...data/.../BAR-MAR-summary-document-web.pdf>

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# Contents

1. Assessment
2. Improvement Planning
3. Metrics to Measure Improvement

# 1. Assessment

## **Overall assessment**

The Department has assessed where it is in the four critical areas of:

- performance
- efficiency and innovation
- strategic risk and leadership of change
- capability

It has also reviewed progress on the Civil Service Reform Plan (see Annex A for detail) and the 2012 Capability Review. The 2012 Capability Review focused on strengthening leadership and management skills making them more consistent across the organisation; integrate the new policy areas of private sector and climate change faster; and do better on the 'Value for Money' agenda.

In pursuit of commitments in the Business Plan, and to deliver the Secretary of State's priorities, the Departmental Board has considered the overall assessment and concluded the Department must focus on the five issues below. These priorities will be used to frame SCS objectives and help staff deliver in line with the DFID Vision.

### **DFID Improvement Plan priorities**

- Deliver results through sustained leadership and improved programme management.
- Understand and adapt to the future development environment.
- Build a sustainable staffing model that can flex and adapt to the changing development environment.
- Lead management of change by understanding what we've learnt and building on what we've achieved.
- Drive continuous cost reduction by leading year on year efficiencies across the organisation, including through the Operational Excellence programme.

# 1. Assessment

## **Progress on 2012 Capability Action Plan**

The Departmental Improvement Plan will build on progress so far on the Capability Action Plan and feed in to thinking on the future of the international development environment.

The 2012 Capability Review said that DFID needed to strengthen leadership and management skills making them more consistent across the organisation; integrate the new policy areas of private sector and climate change faster; and do better on the 'Value for Money' agenda. The Department has made significant progress in these areas as summarised below, and the following assessment shows where we need to make further progress.

### **Leadership and management skills**

Leadership is where most progress has been seen since the 2012 Capability Review. Collegiate leadership and visibility have been central to this. Moderation of senior civil servants performance has focused on leadership and management, and passing a leadership assessment now precedes any promotion to the SCS. The challenge now is to ensure these improvements are consistent at all levels of line management, the bulk of which is at the A1 and A2 grade (Grade 6 and 7 equivalents). Improving line management is essential to delivering on the Civil Service Reform Plan and building our future staff model. The assessment that follows will build on these issues.

### **Mainstreaming climate and private sector**

Supporting economic development in poor countries and engaging with the private sector was a focus of the 2012 Capability Review. There has been progress in some areas. The Department has established a dedicated Private Sector Department delivering guidance and expertise in engaging with the private sector; a programme of inward and outward secondments; and professional skills for engaging with the private sector. The Department has also made significant strides in partnering with the extractive industries.

*'... working on the right things means doing more on what the Prime Minister calls the Golden Thread, building the institutions, the governance, building democracies, the structures that give people the spaces to live and be heard and companies the certainty to invest.'*

Justine Greening, Secretary of State for International Development, setting out her priorities for UK aid in the coming years, hosted by ONE Campaign UK

Building on these developments will be a focus of the work on the future of international development, ensuring the Department can deliver on the Prime Minister's 'golden thread' priorities of open economies and open societies, and the Secretary of State's economic development agenda.

More progress has been made on integrating climate in to all aspects of the Department's operations. Strategic Programme Reviews have been completed across the Department to ensure that climate issues are addressed. This progress will be built on through the launch of the Future Fit strategy which ensures that building resilience to climate change is a core part of our future operations. This has been rigorously tested by an external challenge panel with leaders from the private sector (including our lead Non-executive Director) sharing experience and expertise.

### **Value for money**

Although progress has been made in this area it will continue to be a focus of improvement actions over the next year. The Department has taken significant steps to maximise the impact of the growing aid budget and ensure value for money is embedded in both the portfolio of programmes, where the bulk of Departmental spend is focused, and on Departmental operating costs. The assessment will expand upon this, for example the step change in the way project and programme management (PPM) is handled in the Department and reductions in operating costs delivered by savings of £62.5 million from the London office move.

# 1. Assessment

## Assessment of performance

Performance in the Department is defined by progress toward the Millennium Development Goals<sup>5</sup>, and delivering on the Business Plan and “Changing Lives, Delivering Results”. The Business Plan sets out what the Department has committed itself to achieve, and the Annual Report<sup>6</sup> provides an account of how well the Department is delivering.

The Departmental Board and Executive Management Committee routinely monitor performance against the results and performance framework via the Executive Management Committee and Departmental Board reports.

This assessment has focused on how well the Department is delivering on these commitments, the impact delivery of these commitments has had and how the Department is dealing with future challenges.

### Business Plan actions

Performance has been good over 2012-13 with all Business Plan actions completed on time. The current position on our actions is shown below, in an extract from the latest Executive Management Committee report (May 2013).

Business Plan actions*	No. of Actions	No. Completed	No. On track	No. Challenging	No. Off track	No. Yet to start
1. Honour International Commitments	11	2	6	3	0	0
2. Drive transparency, value for money and open government	16	7	8	1	0	0
3. Boost Wealth Creation	12	5	7	0	0	0
4. Strengthen governance and security in fragile and conflict-affected countries and make humanitarian response more effective	12	4	8	0	0	0
5. Lead international action to improve the lives of girls and women	7	3	3	0	0	1**
6. Combat Climate change	6	1	4	1	0	0

\*from June 2013 this list of Business Plan actions in management reports will be adapted in the light of the new Business Plan

\*\*due to start mid-2013

The current tracker shows the Department must continue its positive progress across all actions, **focusing on honouring international commitments; driving transparency, value for money and open government; and combating climate change**. The Executive Management Committee and Departmental Board scrutinise this data on a regular basis, ensuring actions to address any issues are implemented. Where actions are ‘on track but challenging’ processes are in place to address progress. For example:

- On international commitments, driving international efforts to agree an ambitious new global development agenda are formed on the UN High Level Panel co-chaired by the Prime Minister.
- On transparency, DFID is working to support more partner countries to join the Open Government Partnership during the UK co-chair tenure (which started in April 2013) by October 2013;
- On climate change, the UK is helping to drive improvements to the Green Climate Fund board, lining the board up to make decisions on key design features, and preparing the way for the appointment of the new executive director at its next meeting in June 2013;

<sup>5</sup> The UN framework for global poverty reduction <http://www.un.org/millenniumgoals/>

<sup>6</sup> <https://www.gov.uk/government/publications/dfid-annual-report-and-accounts-2011-2012>

# 1. Assessment

## Results

The Departmental Board and Executive Management Committee monitor progress on the delivery of results routinely in order to ensure mitigating actions are being implemented for any results that are off track. In 2011/12, DFID published the results it has achieved to date against these results commitments for the first time in the Annual Report<sup>7</sup>. To date DFID has improved the land and property rights of 1.1 million people; supported 5.3 million children (2.5 million of them girls) to go to primary school; distributed 12.2 million bednets to protect people against malaria; prevented 2.7 million children and pregnant women from going hungry; and reached 6 million people with emergency food assistance. The 2012/13 Annual Report will detail progress on results to date.

As of May 2013 the 19 modelled results indicators showed that 13 are on track, 2 amber and 4 off-track. Off track results on food security, children in lower secondary education, women using modern methods of family planning and improved access to security and justice services are being addressed and monitored closely by the Executive Management Committee and Departmental Board.

The Board is aware that, although progress is positive, the bulk of the delivery challenge lays ahead in 2013 and 2014. The Department needs to focus relentlessly on managing results, thinking about quality of programme management and design, and continuing to mainstream new policy areas. There is a significant challenge in providing leadership in improving performance across programmes, policy, and evaluation to ensure delivery of Business Plan and results commitments.

Monitoring this will be a focus for the Board, monitoring measures to address specific results and look for improvements in systems and processes. Specifically the Department has created a new advisory cadre for Project and Programme management (PPM), appointed a Head of Profession for PPM and continued to invest in learning and development for programme managers. DFID is also completing an end-to-end project review to report to Ministers in 2013 to identify improvements in PPM.

These improvements will contribute to continued progress against the Business Plan commitments and consistent delivery of results, and build capacity to address future challenges.

## Looking to the future

The 2012 Capability Review challenged the Department to improve its long term strategy and ensure it could adapt to the future and communicate this vision effectively. The Department has made progress: establishing horizon scanning as a key tool for policy making and planning; supporting the Prime Minister as co-chair of the UN High Level Panel on the future of the MDGs; and continuing to adapt the size and shape of its workforce and footprint to ensure it can deliver Business Plan priorities and the results agenda.

Part of the organisational vision, One Team, is to 'look to the future'. Building on the progress above, the Department needs to systematically consider how the changing face of poverty will impact on its operations beyond 2015. The Departmental Board is considering these challenges, including what DFID should be doing, how it should allocate resources, whether ways of working with partners needs to change and how this will affect the way DFID works as an organisation. Increasingly, poverty will be concentrated in fragile states. Climate change will provide more challenges, from natural disasters to long-term strains on livelihoods. Aid is also changing – emerging powers, global capital markets and remittances play a major role in development in a way they never have before. As highlighted in the 2012 Capability Review and the OECD-DAC mid-term peer review the continued mainstreaming of economic development and climate change policy areas need to be a focus.

The Secretary of State has championed an increased focus on economic development. This will include thinking about how to use expertise in other Government departments to deliver better results. An early example of this is the new tax capacity building unit being developed with HMRC to make available HMRC expertise for tax capacity building projects. The Department knows that addressing climate change is also central to ensuring the

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<sup>7</sup> <https://www.gov.uk/government/publications/dfid-annual-report-and-accounts-2011-2012>



# 1. Assessment

Department can continue to deliver real outcomes for poor people. DFID is working to ensure that all of the UK's aid is 'climate smart', and has focused on developing a new strategy to strengthen the approach to tackling the interlinked challenges of poverty, climate change and resource scarcity. The Department had launched the 'Future Fit' programme, an initiative to help the Department think through the impact climate change and resource scarcity on poverty reduction.

Although DFID accounts for approximately 90% of overseas development assistance spending, the success of joint delivery and increased strategic spending will mean an increased role for other Government departments. The OECD-DAC have advised that although considerable benefits where 'whole-of-government' mechanisms' can address specific challenges there is still work to do to get other departments to the same level as DFID regarding the developmental approach – for example programming that focuses on results, transparency and gender equality<sup>8</sup>. DFID has a significant role to play in sharing good practice across Whitehall and should consider this as part of the wider delivery of the Civil Service Reform Plan as well as the planning for the future.

The National Security Council will continue to be central to delivering DFID's commitments, especially as poverty becomes increasingly concentrated in these states. DFID has ensured that in established NSC priority countries DFID's work is aligned to NSC country strategies and makes a major contribution to achieving HMG's goals. DFID has also increased its focus on those countries which have emerged as NSC priorities such as Libya and Syria.

Performance in the Department will continue to be defined by delivering on the Secretary of State's priorities and results and Business Plan commitments are met. There is a considerable challenge to continue to lead performance throughout all aspects of the Department's operations as the budget increases and ensuring the scale up of results is managed. While the relentless focus on delivering to 2015 continues, the Department also needs to work to understand the future development landscape and start to adapt to ensure it can respond effectively.

As detailed in the next section to continue this good performance, the Department also needs to consider more efficient and innovative ways of spending, working more effectively with other Government Departments building on progress made to date.

## **Assessment of Efficiency and Innovation**

The assessment on efficiency and innovation focuses on how the Department has spent less; has spent in different ways; and is looking to adapt to the future. The Department is managing an increasing budget and is responding to the Secretary of State's challenge to focus on value for money and demand greater efficiencies and innovative solutions from all sections of the organisation. As a ring-fenced Department, DFID takes its responsibility to drive efficiency and effectiveness in its projects, programmes and systems very seriously. Continuous cost reduction, leading and driving year on year efficiencies, and looking for innovative ways to deliver must increasingly become central to the Departments operating culture.

This assessment will focus on how DFID is driving improvements in financial capability and programme and project management. It will also look at the Department's success in implementing more innovative ways of delivering in the Department, and by working more effectively and pursuing efficiencies with other Government departments.

### **Value for money**

The 2012 Capability Review highlighted the need for DFID to pursue better value for money for its resources. Finance for All<sup>9</sup>, the Department's finance change programme, is driving the improvement of finance capability, improving finance practices, meeting the challenge of fraud and corruption and maximising value in all aspects of the Department's operations. The Departmental Board consider progress on this plan on a bi-annual basis with the Audit Committee keeping a watching brief on progress. The launch of the new Finance Operating Model will drive

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<sup>8</sup> <https://www.gov.uk/government/.../letter-oecd-dac-uk-mid-term-review>

<sup>9</sup> <https://www.gov.uk/government/uploads/.../file/.../finance-imp-plan.pdf>

# 1. Assessment

finance improvement across the Department, strengthening business insight and decision making. There is also a considerable investment in skills underway, building capacity in financial capability in both finance and non-finance roles. This is also reflected in the investment in commercial capability.

In line with the Department's commercial strategy, the Secretary of State has launched a "Statement of Priorities and Expectations for Suppliers"<sup>10</sup>, and established a Key Supplier Management programme that will help to build business to business relationships with key suppliers, hold strategic dialogue and drive performance improvements. The department has been focussing on procurement processes that add value and manage the business's challenge of increasing spending whilst maximising value for money. Ministers also approve all supplier contracts of £1million and above and exemptions on all cross government spending controls.

Along with progress on these improvement programmes, the Departmental Board and Executive Management Committee monitor operational efficiency via the quarterly data summary (QDS)<sup>11</sup>. The QDS has been incorporated in to the Departmental Board and Executive Management Committee Reports and is regularly reviewed to maintain financial controls and monitor the drive for greater efficiencies.

The latest data which shows DFID's performance on the QDS in comparison with other Government Departments is below, and refers to Quarter 1 (Q1).

Comparative analysis of indicators across Government Departments	Data (Q1)	Position compared with OGDs (Q1)	Movement since previous QDS comparison
1. Desktop costs per user (quarterly)	£175	5th	Await 2 <sup>nd</sup> report
2. Ratio of HR staff to FTE	3%	12th	"
3. Accuracy of cash forecasting compared to HMT target and same quarter last year	3.69%	7th	"
4. Estate cost per M <sup>2</sup> (quarterly)	£108	2nd	"
5. Ratio of Finance Staff to FTE	2%	5th	"
6. Reduction in consulting expenditure - difference between Q1 2009/10 and Q1 2012/13	89%	2nd	"
7. Percentage spend with SME's	26%	3 <sup>rd</sup>	"
8. Average annual staff costs per FTE	£60k	16th	"
9. Average staff turnover rate	9.4%	7th	"
10. Working days lost to absence	4.2	7th	"

QDS data highlights opportunities for efficiencies the Department expects to realise through change programmes in place in the Department. The Department is performing well on some indicators, with progress to be made on others. Data on desktop costs is positive at £175 (and the current full year provisional outturn at £751 per user is significantly lower than the Operational Plan target of £950); accuracy on forecasting is positive, continuing to run well below the upper limit of 5%; and spend with SMEs remains consistently above the 25% Whitehall target.

The Department expects to see improvements in other indicators. Having recently completed a move of its London office the Department would also expect to see further savings on estate costs. At present our ratio of HR staff to FTE stands at 3% in Q1, high in comparison with other Whitehall departments (12<sup>th</sup> when compared with other government departments at Q1). With the launch of the HR Passport<sup>12</sup> programme in October 2013 DFID should see a reduction in the ratio of HR staff to FTE. HR Passport will also deliver £1m savings, simpler HR processes, improvements in guidance, improved manager and employee self-service and better access to accurate management information.

<sup>10</sup> <https://www.gov.uk/.../stat-priorities-expectations-suppliers.pdf>

<sup>11</sup> <https://www.gov.uk/government/organisations/departments-for-international-development/series/departments-for-international-development-quarterly-data-summary>

<sup>12</sup> HR passport will see the launch of a modern system that will deliver an improvement in the efficiency and effectiveness of people management across DFID with the introduction of improved self-service, simpler standardised processes and better access to accurate management information.

# 1. Assessment

The large reduction in Q1 on consultancy spend means the year to date position remains 72% lower than the previous year (despite increases in Q2 and Q3) and we would expect to see continued improvement in this area, bolstered by the Secretary of State's commitment to improving DFID's relationship with suppliers and secure a better deal, as detailed in the *"DFID Statement of Priorities and Expectations for Suppliers"*.

The average high annual staff costs figure remains high, reflecting the Department's role as a commissioning organisation, requiring high levels of professional skills and experience.<sup>13</sup>

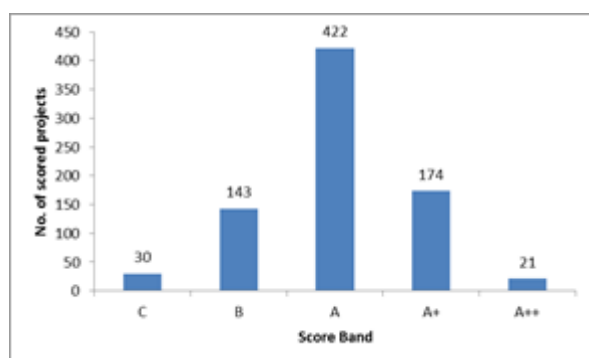
The Departmental Board and Executive Management Committee will continue to monitor this information and ensure change programmes continue to deliver efficiencies in simplified processes. This will also need to be monitored specifically on PPM where a major end-to-end review will build on progress detailed below.

## **Programme and project management**

The 2012 Capability Review highlighted the need for continued focus on cost and improving performance across all aspects of programme management, as did the OECD-DAC. The Department has taken significant steps to ensure maximum impact is achieved through the growing development aid budget.

DFID has continued to strengthen the way that it manages individual development programmes. Ministerial oversight on spending decisions has recently been increased. Since September 2012, DFID Ministers make spending decisions on all projects valued at £5 million and above and all contracts of a value over £1 million. All Departmental investments require a clear value for money assessment set within a business case based on the Treasury good practice model. A Quality Assurance Unit was created in April 2011 to provide better critical analysis of the value for money of DFID investments on the basis of evidence provided in DFID business cases.

In January 2012, DFID introduced a new approach to annual reviews and project scoring which gives improved information about whether the programme has delivered the intended results over the last year and whether it remains good value for money – prompting action accordingly. Portfolio quality measures how on-track programmes are to deliver expected development outputs and outcomes and is critical to ensuring the Department can deliver its Business Plan commitments.



As at the end of March 2013 the Portfolio Quality index<sup>14</sup> stands at 98.6, based on 790 projects reviewed in the last 12 months equating to a value of £26,323m. The 'Distribution of Scored Portfolio' table overleaf shows the position as of March 2013. Projects scoring A or above represent 87%, projects scoring B represent 12% and projects scoring C represent 1% of the portfolio value scored. Portfolio quality remains good but the Department should continue to drive improvement in programme design and management as the budget increases and the delivery challenge increases with the scale up in results.

A continued focus on improving programme management and focusing on lesson learning is a key area of improvement for the Department. The Department also needs to use evidence and lessons from evaluations more systematically and be open to challenge established ways of working and look to innovative forms of delivery. As previously detailed the Department has launched an end-to-end review of PPM which will report to the Departmental Board throughout 2013 to drive leadership of improvement in this area.

<sup>13</sup> This figure only includes Home Civil Servants, and not Staff Appointed in Country, as agreed with the Cabinet Office.

<sup>14</sup> The DFID Annual Report contains detailed information on how portfolio quality and how it is calculated.

<https://www.gov.uk/government/publications/dfid-annual-report-and-accounts-2011-2012>

# 1. Assessment

## **Innovation**

Both the Capability Review and OECD–DAC peer review noted that DFID is increasingly focused on innovative ways to establish projects, partnerships and funds. DFID recently won the Civil Service Innovation Award for the Global Alliance for Veterinary Medicines (GALVmed) project and the best initiative at Climate Week for *EverGreen Agriculture*, a project which is helping millions of smallholder farmers across Africa protect themselves against drought and hunger. Building on these achievements and learning from what works is an important part of driving innovation in the Department.

The Department has established an innovation hub to coordinate the Departments efforts to continue to increase the quality, impact and value for money of the aid it delivers. Initiatives have included:

- significantly increasing our investment in research to support the development of new innovation and to investigate better ways of getting existing innovation into use; as well as building up the evidence of what works and what doesn't;
- introducing innovative policy approaches into our programmes, for example, payment by results and cash transfers;
- launching *Innovation Funds* in priority areas - examples include Making All Voices Count, a partnership with Sweden, DFID, USAID and Omidyar Network, to support innovation and harness new technologies to enable citizen engagement and government responsiveness and the Development Innovation Ventures Humanitarian Initiative which will back mobile, text and other innovative technologies which can be used to help those hit by humanitarian crises.

Forward plans are to build on current programmes and develop innovative delivery models to take the best innovations to scale, enable new actors to engage in innovation for development, support the conditions that help innovation flourish, and continue to exploit scientific breakthroughs for development impact.

## **Working with other Government departments**

As detailed in the assessment of performance, the Department is responding to the challenge to work more closely with other Government departments. The Department needs to pursue different ways of working with departments beyond the well-established and effective joint policy units in BIS, DECC, FCO and MoD. This includes building new partnerships, engaging on strategic objectives through the NSC and looking for greater efficiencies and savings in our operations overseas.

Alongside thinking about how DFID works with other government departments on delivery the Department is also actively involved in working toward 'one HMG team' overseas as part of the Government Consolidation Overseas (GCO) agenda. This covers a range of corporate functions including elements of business, human resource, financial and facilities management. The programme aims to identify what works best, get rid of barriers and free everyone to focus on delivery of UK government policy objectives. The programme focuses on 5 pillars: collaboration; co-location; regionalisation; consolidation; and harmonisation. The programme is overseen by a Network Board with representatives from across the relevant Government departments. Finding efficiencies in working with other Government departments is a key element of the Civil Service Reform Plan and the Department will continue to work with partners on this.

## **Assessment of Strategic Risk and Leadership of Change**

The Department, in line with efforts to pursue efficiencies in spending and adapt to a changing poverty landscape, has paid particular attention to the way it manages risks in a changing development context. The Department will focus on continued development of DFID's risk architecture, engaging the expertise of the Non-Executive Directors and understanding and continuing to focus on anti-fraud measures which was raised in the 2012 Capability Review. The Department also needs to ensure it can learn from how change is managed well across the Department.

# 1. Assessment

## **Assessing and managing risk**

DFID's risk management architecture was reviewed in financial year 2010-11 and continues to develop to deliver more active and effective management of risks. Management of risk in DFID is supported by the Executive Management Committee's Risk Appetite Statement which recognises and supports the challenge of working in some of the most fragile and conflict-affected countries.

The Executive Management Committee undertakes a global review of strategic risks each quarter. Where a risk is on a trajectory to exceed the EMC's risk appetite, the Committee has a focused review with the corporate risk owner. No completely new themes/risks have been added to the Corporate Risk Register during 2012-13 and one – Reputational Risk – has been removed. Key issues continue to be the challenges of operating in an increasing number of fragile states, scaling up DFID's spend and tackling the risk of fraud and corruption which continue to be closely scrutinised by the Committee.

The Audit Committee will continue to monitor risk, engaging the expertise of the new Non-Executive Director in strengthening the Department's management of risk and ensuring the new business model takes proper account of risk in planning for the future development environment.

The 2012 Capability Review also highlighted the need to improve further the quality and consistent application of anti-corruption controls in programmes. The Department's approach to fraud is one of zero tolerance and pursuit of defrauded funds; DFID continues to achieve high recovery levels in investigated frauds. Further progress was made on this issue, with the Department launching Anti-Corruption Strategies across 29 priority countries. The strategies set out how DFID fulfils its critical role of safeguarding UK taxpayers' money from being fraudulently spent or stolen, and how the department will support efforts in our partner countries to reduce corruption and its impact on their development over the next three years.

The Department continues to make efforts to respond to both the Comptroller and Auditor General's Report on DFID's Financial Management<sup>15</sup> and ICAI's Anti-Corruption Report<sup>16</sup>, to minimise and reduce the scope for fraud and corruption. The Department has continued to strengthen understanding of fraud risk across the department and obtaining assurance on the capacity and capability of strategic delivery partners.

## **Managing change**

The 2012 Capability Review concluded that the Departmental had demonstrated it could respond to new Ministerial priorities quickly. The Department has since transitioned to a new Ministerial team, and ensured it could continue to deliver on new Secretary of State priorities while continuing to deliver a 35% cut to central costs. While positive, the 2012 People Survey results show there is still progress to be made on managing change in the Department.

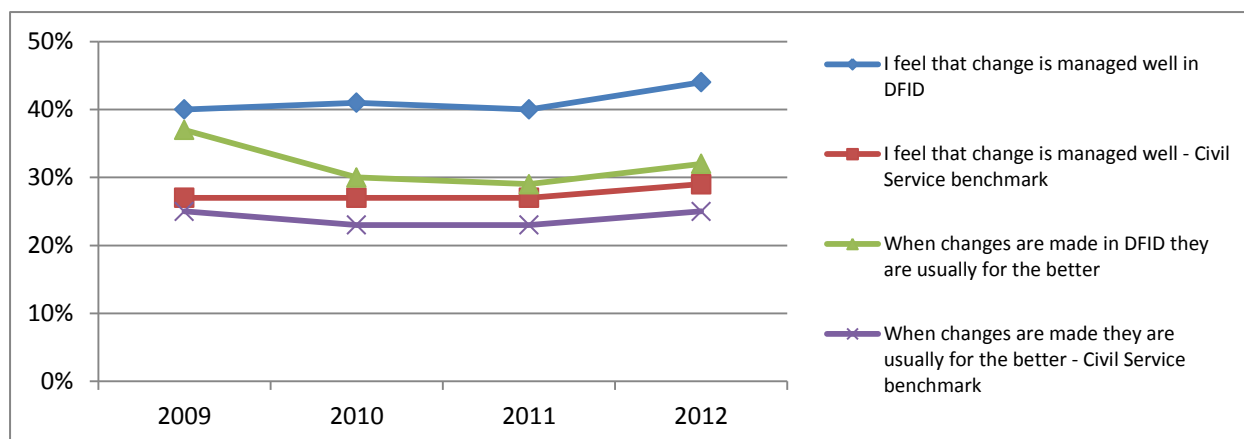
People Survey results show the trajectory on managing change in the Department has been positive, +4 since 2011 as shown in the graph below. The Department continues to record results higher than the Civil Service benchmark however there is an opportunity to learn from change programmes in place across the organisation to build on these scores. Managing change across the organisation is a key challenge. There is a particular opportunity to learn from the recently completed office move in London where the change management approach has been well received by staff. This will be monitored in a series of pulse surveys and reviews to ensure the move continues to deliver a successful workplace, but also capture lessons for future change management programmes in the Department.

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<sup>15</sup> <http://www.nao.org.uk/report/department-for-international-development-financial-management-report/>

<sup>16</sup> <http://icai.independent.gov.uk/publications/icai-reports/>

# 1. Assessment



The Department is also continuing to consult staff on the future shape of the organisation through both the new business model and DFID 2020, allowing staff to build on the Department's Vision to 2015 and contribute to the type of organisation DFID should be in the future.

The Department also needs to respond to wider changes across the civil service, primarily through continued implementation of the Civil Service Reform Plan and considering how changes impact upon our Departmental capability.

## **Assessment of Capability**

Capability in the Department has been assessed on the capacity of our workforce to effectively deliver on the Business Plan commitments and implement and support the Civil Service Reform Plan. Relevant People Survey information supports the recent assessment of the OECD-DAC and 2012 Capability Review that while the department has made considerable strides in shaping and supporting the workforce to deliver there is progress to be made on ensuring staff have the right skills and development opportunities to deliver effectively. Implementing the Capabilities Plan will be central to this.

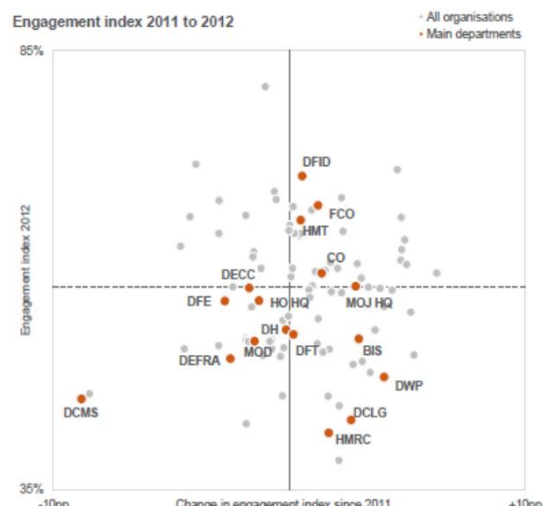
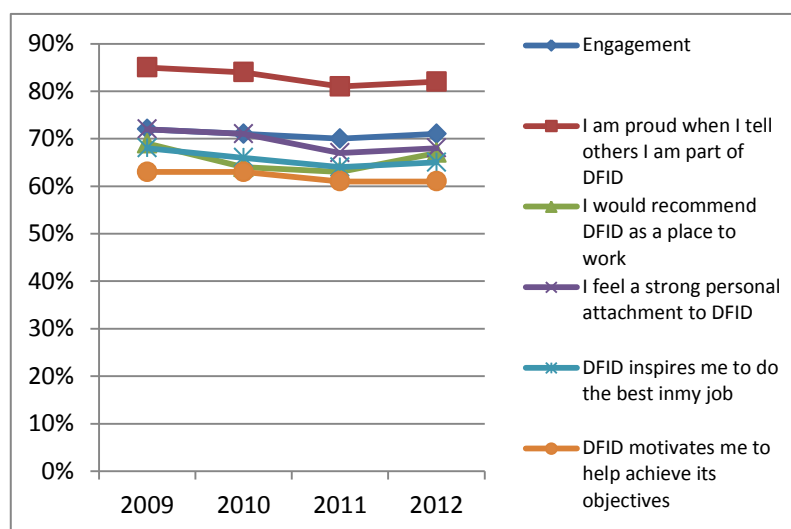
## **Engagement**

The OECD-DAC mid-term review recognised that the Department has been planning well for the increase in its budget, ensuring it has the right people with the right skills to deliver and noted the Department continued to have a highly engaged workforce, protecting the capacity and professional expertise of front line staff.

A significant amount of effort has gone in to re-shaping and changing the skill set of the organisation by streamlining corporate work and recruiting more specialists in front line delivery in country offices. The Department's efforts are paying dividends, with the number of staff posted overseas and to front line roles increasing. Of the 240 advisers recruited in 2011 the majority have been posted to country offices and the number of advisers now stands at 695. Although there has been considerable change, the 2012 People Survey showed that that staff continue to be highly engaged.

The tables below show the consistent performance of the Department on engagement over recent People Survey results, and DFID's performance in comparison with other Government departments in 2012.

# 1. Assessment



## Skills and professional capacity

The OECD-DAC also commented on continued efforts in the Department to build professional capacity and ensure the Department has the right people with the right skills to deliver.

*'DFID has developed strategic forward planning over the last three years to address this challenge and ensure it has the capability and systems to spend increased resources effectively... As was recommended by the Committee, DFID has maintained its powerful institutional system and taken measures to protect, and even increase, staff on the front-line. ... The annual staff survey shows that, despite the changes, the engagement of staff vis-à-vis DFID remains very high, an impressive result in a rapidly changing organisation.'*<sup>17</sup>

Continued efforts to improve finance and commercial skills are now the priority, and as the Department finalises and implements its Finance Operating Model there will be increased finance capacity and skills to strengthen business insight and decision making. This increased capacity will also support up-skilling staff in finance and non-finance roles. The Department is also continuing to develop the PPM and Commercial cadres to build commercial capability.

The Department's Digital Strategy is now being implemented, which will be overseen by a Digital Advisory Panel, chaired by a newly appointed Non-Executive Director. A key element of implementation is a digital skills audit, identifying and analysing expertise across the Department. Working with the Government Digital Service and other government departments, a plan will be developed to improve core general digital skills across the Department. This plan will also identify roles to build expertise in open policy making, influencing and negotiating, service redesign and delivery, and using knowledge of digital advances to build more effective development programmes.

The results of the peer review support the efforts the Department has made to adapt. There is a considerable challenge in ensuring this positive trajectory is followed, especially in focusing efforts on improving skills and capability in financial, commercial and PPM skills. This is where the Department must now focus and is vital in supporting continuous cost reduction, the push on improved PPM and building a flexible staffing model that can adapt to the future development environment. The Department must also ensure it responds effectively to and implements the Capability Plan as part of delivering on the Civil Service Reform Plan.

<sup>17</sup> Extract from OECD-DAC peer review <https://www.gov.uk/government/.../letter-oecd-dac-uk-mid-term-review>



# 1. Assessment

## Capabilities Plan and workforce planning

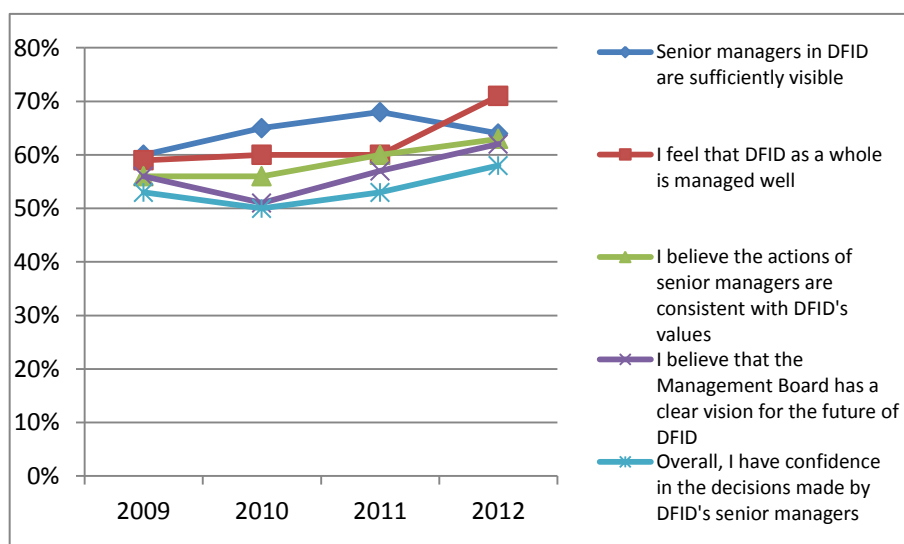
As part of delivering the Civil Service Reform Plan, the Department is implementing the Capabilities Plan which will complement the improvements made to workforce planning and help DFID understand where improvements in capability need to be focused. Maintaining and building on engagement will mean building on the talent management programmes that are being extended beyond the senior civil service and, in line with the wider Civil Service Reform Plan, extending to all grades with specialist support to expert cadres and heads of profession.

The Department has significantly reinforced its workforce planning approach which is now linked to budgeting processes and the priorities outlined in the Business Plan, ensuring the right people with the right skills are in the right places. A key part of this process is the regular succession planning undertaken by the Executive Management Committee which identifies gaps and risks in the workforce. This will be increasingly important in ensuring the Department can effectively post staff in fragile states.

The Department has also introduced talent management to the A1 grade (Grade 6) in 2012/13 and will now work on extending this to other grades in 2013/14. Talent management includes regular line management and reportee discussions, use of the talent matrix and developing robust performance improvement plans. How successful this is will be a test of how well the Department is managing its pipeline of staff.

Implementing the Capabilities Plan also means strengthening learning and development for staff. A number of actions are in place to ensure staff benefit from at least 5 days of learning and development each year including ensuring all staff have access to Civil Service Learning, improving access to L&D opportunities for staff overseas working with FCO and Civil Service Learning to deliver regional programmes, and ensuring each country office and department have learning and development plans.

The 2012 Capability Review also noted that improvements in leadership were needed and the Department has ensured that the leadership framework and objective setting is in place with guidance issued to all SCS. The People Survey shows that the trend on leadership is positive, measures to address leadership were a central element of the 2012 Capability Review and though progress is being made.



The challenge now is to continue this positive trajectory and lead the priorities as identified in this plan. SCS objectives for 2012/13 will be framed around the Improvement Plan priorities and oversight of major improvement programmes in the Department will continue to lie with the Departmental Board and Executive Management Committee.



## 2. Improvement Planning

### **2. Improvement Planning**

Building on this assessment, the Departmental Board has concluded that the Department needs to focus improvement in the areas below, building on progress made on 2012 Capability Review actions and continuing to deliver on the Civil Service Reform Plan. These priorities will be used to frame SCS objectives and help DFID continue to deliver in line with the DFID Vision to:

1. Provide strong leadership;
2. Deliver development results at scale;
3. Improve impact and drive value for money;
4. Build support for our work and;
5. Look to the future.

The Department will:

#### **1. Deliver results through sustained leadership and improved programme management**

**To do this we will –**

- Complete the end – to – end review of programme and project management (PPM) cycle
- The Departmental Board will use and improve management information, ensuring results and Business Plan commitments remain on track
- Continue to strengthen value for money and hard to measure metrics in programmes
- Ensure more consistent processes are in place to manage underperforming programmes
- Prioritise strengthening of PPM cadre through improved skills and the embedding of the new head of profession for PPM.

#### **2. Understand and adapt to the future development environment**

**To do this we will –**

- Consider future challenges through the Departmental Board
- Continue to mainstream economic development across the Department, alongside a focus on women and girls and leading humanitarian response
- Ensure the outcomes of the UN High Level Panel and G8 meeting are central to planning and thinking on the future international development environment
- Contribute to NSC agenda and pursue new opportunities to work with other Government departments in delivering ODA
- Complete the implementation of Strategic Programme Reviews (SPRs) to assess climate change risks and opportunities across all DFID business units.

#### **3. Build a sustainable staffing model that can flex and adapt to the changing development environment**

**To do this we will –**

- Continue to deliver on the Civil Service Reform Plan including implementation of the Capabilities Plan
- The Executive Management Committee will continue to oversee workforce planning including succession planning and identifying gaps in staffing, focusing especially on posts in fragile states
- Extend talent management beyond the SCS, building on the success of the SCS process
- Improve finance, commercial and digital capability across the Department through the implementation of the Finance Improvement Plan and Commercial and Digital strategies.

## 2. Improvement Planning

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### **4. Lead management of change by understanding what we've learnt and building on what we've achieved**

#### **To do this we will –**

- Ensure lessons are captured from the London office move to 22 Whitehall
- Deliver an improved modern workplace as committed to in Civil Service Reform Plan and share lessons for roll out across the rest of the organisation
- Deliver Leadership Group change priorities (to be defined July 2013) with a particular focus on Civil Service Reform Plan and lesson learning exercise
- Ensure the Department has managed the incorporation of a greater focus on economic development, women and girls, and building resilience to climate change in to policy making and operations successfully.

### **5. Drive continuous cost reduction by leading and driving year on year efficiencies across the organisation, including through the Operational Excellence programme**

#### **To do this we will –**

- Deliver HR Passport programme
- Continue to deliver the Finance Improvement Plan and Commercial and Digital Strategies
- Pursue efficiencies through the Government Consolidation Overseas programme
- Continue to implement Civil Service Reform Plan.

### 3. Metrics to Measure Improvement

Improvement being made	Metric used to measure progress	Date to review metric & details of who undertakes review	Trigger that will signal mitigating action needs to be taken
<b>Deliver results through sustained leadership and improved programme management.</b>			
<b>Departmental Board to use and improve management information, ensuring results and Business Plan commitments remain on track</b>	Better quality business cases for new programmes and extensions, as assessed by Quality Assurance Unit	Annually by the Investment Committee	Increase in percentage of business cases formally resubmitted to the Quality Assurance Unit
	Improvement in Annual Review (AR) and Project Completion Review (PCR) scores	Regular monitoring by the Investment Committee	Decline in AR and PCR scores
	Portfolio Quality Index (to target average of 100 over year)	Quarterly monitoring by Executive Management Committee and Investment Committee	Quarter on quarter decline in Portfolio Quality
	Results on track	Regular monitoring by Executive Management Committee	Increase in results off track
	Business Plan indicators on track	Regular monitoring by Executive Management Committee	Amber ratings against Business Plan indicators
<b>Completion of end – to – end review of programme and project management (PPM) cycle</b>	Delivery of conclusions and recommendations to Departmental Board, Autumn 2013	Autumn 2013 with regular reporting to the Investment Committee	
<b>Understand and adapt to the future development environment.</b>			
<b>Consider the changing international development landscape, with a focus on what, where and how DFID will focus future effort</b>	Changes reflected in resource allocation and organisational capability	Departmental Board to consider decisions in Autumn 2013	To be defined in light of final decisions

### 3. Metrics to Measure Improvement

Build a sustainable staffing model that can flex and adapt to the changing development environment.			
Continued delivery of Civil Service Reform Plan focusing on improved workforce planning and implementing the Capabilities Plan	Increased pools of advisory staff ready to be deployed to DFID posts	EMC monitoring talent matrix and succession planning data	Increased number of lengthy vacancies
	Regularly updated and accurate workforce plans	Quarterly reporting on implementation of Capabilities Plan and workforce planning via the Civil Service Reform Plan	
Strengthening key skills in line with Capabilities Plan focusing on finance, commercial and digital skills	Increased take up (and understanding) of 5 days learning and development in Department	Baseline on uptake of learning and development being established via Departmental wide survey	Lower than expected uptake of survey, leading to unreliable results
	Increased pool of staff in the finance cadre and increase in number of financially qualified staff in business roles	March 2014 – with update by Finance Improvement Team / Finance Operating Model and Annual staff survey	No increase in numbers in cadre
	Standard competencies, and continued professional development for all finance staff	December 2013 in line with Operating Model implementation	
	Commercial adviser network developed with increased number of commercial advisers in posts	In line with Commercial Strategy	No increase in numbers in cadre
	Mandatory commercial skills course designed incorporating basic level accreditation and delivered to 50% of SCS by March 2014	In line with Commercial Strategy	Delay in design and uptake of course
	Digital Advisory Panel established and skills audit completed	December 2013	

### 3. Metrics to Measure Improvement

Lead management of change by understanding what we've learnt and building on what we've achieved.			
<b>Implementation of benefits realisation from London office move</b>	Post move data collection completed and lessons learned published Autumn 2013	Regular updates to Accommodation Board	Surveys show space not being properly utilised and off track on savings
<b>Identification and delivery of Leadership Group change priorities (to be defined July 2013) with a focus on Civil Service Reform and lesson learning</b>	To be defined July 2013	To be defined July 2013	
<b>Embedding stronger focus on economic development in to DFID's policy making and operations</b>	Economic development and 'golden thread' themes embedded in outcomes of High Level Panel, resource allocation and organisational capability	Reporting to Departmental Board, autumn 2013	
<b>Future Fit analysis reflected in resource allocation and organisational capability</b>	Climate change reflected in business unit resource planning	Reporting to Departmental Board, autumn 2013	
Drive continuous cost reduction by leading and driving year on year efficiencies across the organisation.			
<b>Implementation of HR Passport project, starting in October 2013</b>	Improved access to management information to enable decision making on people management issues and inform workforce planning  Reduction in HR staff costs, and improved efficiency in HR transactional activity by process standardisation and simplification, and improvements in self-service functionality	Annual tracking against the HR Passport Benefits Realisation Plan	Management Information shows decline in performance in operational efficiency indicators
<b>Continued implementation of the Finance Operating Model</b>	Reduction in finance staff time spent undertaking transactional activity and increase in activity that adds insight and value	Finance Operating Model – Annual Staff Survey and Finance Improvement Board	

### 3. Metrics to Measure Improvement

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<b>Operational excellence programme in place, including delivery of GCO (Government Consolidation Overseas) agenda</b>	Reduction in overseas bank accounts and utilisation of cash for payments  Plans in place to establish single corporate support teams in country offices	To be confirmed but likely to be monthly during implementation and continuing after  Regularly by the FCO Network Board and CPG Leadership Team	
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Prepared for the Cabinet Office by Department for International Development

## **Annex A – Implementation of Civil Service Reform Plan (CSRP), June 2013**

<b>CSRP Action</b>	<b>Implementation to date (June 2013)</b>
<b>Action 1 Delivery models</b>	<ul style="list-style-type: none"><li>• DFID has worked closely with the Cabinet Office on emerging thinking on alternative delivery models.</li><li>• Cabinet Office provided useful feedback on the focus and structure of our models. DFID has taken that feedback and is looking at delivery models as part of the review of the DFID business model commissioned by Ministers and overseen by the Departmental Board.</li><li>• Strategic decisions on where and how different models will operate will be taken as part of DFID's work on its new business model.</li></ul>
<b>Action 2 Digital by default</b>	<ul style="list-style-type: none"><li>• The DFID digital strategy was published on time and DFID is now focused on implementing it. A Digital Advisory Panel, to be chaired by a new Non-Executive Director, is being developed and a skills audit to inform a capability building programme is in development.</li><li>• The DFID website joined the single government website according to plan in March 2013.</li><li>• DFID is piloting a new aid information platform for users to search, browse and export UK aid data, providing the ability to drill down through the aid delivery chain. The platform will be released as open source code so that others can reuse and repurpose the data for their own needs. DFID will also provide an application programming interface (API) to enable others to access the data and create applications.</li></ul>
<b>Action 3 Shared services</b>	<ul style="list-style-type: none"><li>• As a smaller department DFID is working with the Cabinet Office on ISSC1 and helped to evaluate the bids for low cost ERP solution (Agresso now being the successful software). Now that a successful ERP has been decided, DFID is working with Cabinet Office and DfT on issues which will affect transition.</li><li>• Alongside thinking about shared services DFID is also involved in moves toward 'One HMG' overseas. This involves ensuring coherent, cross HMG approaches in-country, physical moves to shared spaces, considering the set up or continued development of single corporate service teams, and continuing to look</li></ul>



	<p>at harmonizing terms and conditions for staff overseas.</p> <ul style="list-style-type: none"> <li>DFID is also continuing to work on shared communications activities with other government departments, especially through the network of Departments represented on the National Security Council.</li> </ul>
<b>Action 4</b> <b>Sharing policy, service and analytical expertise.</b>	<ul style="list-style-type: none"> <li>DFID has long been active in sharing services and expertise. DFID shares legal services (using both FCO and TSOL) and is now part of an 'International Group' with the FCO to deliver audit services. This virtual group will further enhance collaborative working through improved audit methodologies and sharing of best practice. This will include delivery of joint audits with FCO on locations where there is a shared platform.</li> <li>DFID has been significantly engaged in Next Generation HR and the Civil Service HR centres by helping to establish the cross-government mediation service[ (as a member of the steering group), and is looking at the feasibility of establishing shared case management expert centres.</li> <li>DFID has created a new cadre for Project and Programme Management (PPM) and appointed a head of profession. The Department is currently reviewing the PPM cycle to look for improvements in both systems and processes and will continue to share expertise with other government departments.</li> <li>As part of the review of the DFID business model the Department is looking at new ways to support small organisations and providers, including working with the Government Digital Service on whether there is a more coherent platform for them to use. This platform would rationalise the information and application procedures leading to lower costs for applicants and the Government.</li> <li>Continued work toward 'One HMG' overseas includes moves to a single platform for all DFID staff based overseas with increased harmonisation of terms and conditions for all staff. The FCO will be providing this platform in the vast majority of cases.</li> <li>DFID has been active in sharing expertise. Examples include joint development and delivery of policy on climate change (with DECC), on trade (with BIS) and on conflict and stabilisation through the joint DFID/MoD/FCO Stabilisation Unit.</li> </ul>
<b>Action 5</b>	<ul style="list-style-type: none"> <li>DFID has long seen delivering both outcomes and policy with other Departments as central to its operating</li> </ul>

<b>Open policy making</b>	<p>model and has a long tradition of doing that. Examples include: Trade (which is a joint unit housed in BIS), Climate Change (where we closely work with DECC), and conflict/stabilisation (we have created the joint Stabilisation Unit, which is currently housed in DFID, with FCO and MoD).</p> <ul style="list-style-type: none"> <li>• DFID has a long history of open and consultative policy making and this approach has been recognised by the OECD Development Assistance Committee (DAC). DFID used external experts for the Bilateral and Multilateral Aid reviews in 2010/11 and commissioned external expert leadership for the Department's Humanitarian Emergency Response Review, led by Lord Ashdown.</li> </ul>
<b>Action 6 Matching resources to priorities</b>	<ul style="list-style-type: none"> <li>• In 2010 and 2011, DFID went through a significant process to refocus its work to deliver new Ministerial priorities. That work, which was set out in the three <a href="#">Aid Reviews</a>, set out concrete results that the Department would deliver by 2015.</li> <li>• The DFID <a href="#">annual report</a> measures progress against those priorities. The annual report notes the changes made to deliver those priorities, including: closing offices, scaling down programmes (India) and scaling up other ones (Pakistan, Afghanistan).</li> </ul>
<b>Action 7 Policy skills and tools</b>	<ul style="list-style-type: none"> <li>• DFID has significantly increased its investment in research and building up the evidence of what works and what doesn't, with a particular focus on the results programmes will deliver.</li> <li>• DFID has launched a major research programme with British universities; significantly increased investment in and emphasis on evaluation of projects, programmes and policies – both internally and through the creation of the Independent Commission on Aid Impact (ICAI); and systematically used random controlled tests in aid programmes.</li> <li>• DFID routinely undertake horizon scanning, sharing the analysis and results across Whitehall, particularly among the BSOS network; the results are also framing the work on DFID's new business model.</li> </ul>
<b>Action 8 Major projects</b>	<ul style="list-style-type: none"> <li>• DFID has one project that meets the Major Projects Authority criteria: St Helena Airport. There has been a single SRO for the lifetime of the project and DFID has completed a Gateway Review.</li> <li>• DFID has a programme of work to continue to strengthen VfM of the project portfolio, building on progress to date. It includes a range of cross-cutting activities which will impact on the whole project portfolio. As per</li> </ul>

	<p>action 4, DFID is reviewing the end-to-end process for managing projects to ensure that the project cycle works effectively to drive VfM and is sufficiently streamlined for efficient delivery of programmes. DFID will continue to look for opportunities to reduce transaction costs while continuing to drive VfM and results improvement.</p> <ul style="list-style-type: none"> <li>• DFID will review again it's approach to resource allocation before setting budgets for 2015/16 and consider how to evolve the approach to ensure it drives VfM. This work will begin in the second quarter or 2013/14. It will involve setting out a framework for resource allocation which ensures resources are delivered to the right place, through the right channels, to tackle the right issues. It will drive alignment between the Department's strategic objectives and its allocation of resources.</li> </ul>
<b>Action 9 Management information</b>	<ul style="list-style-type: none"> <li>• The Quarterly Data Summary has been integrated into Management Reports which are discussed by the Departmental Board and the Executive Management Committee. These reports monitor delivery of the full set of indicators and commitments set out in the DFID Business Plan.</li> </ul>
<b>Action 10 Accountability</b>	<ul style="list-style-type: none"> <li>• The Permanent Secretary has overseen the St Helena Project (see 8 above).</li> <li>• The DFID Departmental Board reviews the Business Plan quarterly (see 9 above).</li> <li>• The Executive Management Committee regularly reviews the Risk Register, including in depth scrutiny of individual risks.</li> </ul>
<b>Action 11 Ministerial role appointments</b>	<ul style="list-style-type: none"> <li>• Management Reports monitor progress against the DFID Business Plan (see 9 above)</li> <li>• DFID has instituted new spending controls and Code of Conduct with suppliers and reviewed and implemented revised governance arrangements for new Secretary of State.</li> <li>• The Secretary of State is leading work on the new DFID business model. The Departmental Board will take strategic decisions in July 2013.</li> </ul>

<p><b>Action 12</b>  <b>Capabilities Plan, competency framework and financial transformation</b></p>	<ul style="list-style-type: none"> <li>• DFID has significantly reinforced the workforce planning approach in 2012/13, strengthening the links to the budgeting process and the priorities outlined in the DFID Business Plan. This is reviewed twice a year. A key part of this work is the regular succession planning undertaken by the Executive Management Committee which identifies gaps and risks.</li> <li>• As part of this process, DFID has introduced talent management for A1s (Grade 6) in 2012-13 which will be extended to other grades in 2013-14. Talent management includes: regular line manager and reportee discussions; use of a talent matrix; and developing robust performance improvement plans. A number of A1 staff attended Civil Service Learning's <i>Leading with Purpose</i> course and this is being rolled out for staff in Africa offices in 2013. As noted in Action 4, DFID has introduced a new aid project management cadre, which has been underpinned by a new set of competencies and is now overseen by a Head of Profession, the purpose of which is to significantly improve our programme implementation.</li> <li>• A number of actions are ongoing to DFID staff also benefit from 5 days learning and development each year. Examples include: ensuring all staff access the Civil Service common curriculum by signing up to Civil Service Learning (CSL) (over 85% of staff currently registered) and regularly promoting CSL programmes; improving access to L&amp;D opportunities for staff working overseas by working with the FCO and CSL to deliver regional programmes; challenging the Department to think beyond traditional classroom learning to find opportunities to learn and share skills in the workplace; providing information and coaching support so that each country office and department has a L&amp;D plan and encouraging all DFID staff to create personal development plans.</li> <li>• DFID has significantly strengthened processes for entry to the SCS. This work was recognised by the Institute for Government where DFID won an award (October 2012) for staff engagement and development of leadership, particularly recognising the success of engaging staff in the process for promotion to SCS.</li> <li>• DFID will also continue to implement the Finance Improvement Plan, including introducing a new Finance Operating Model. The operating model will introduce common standard processes to financial management and increase transactional efficiency, and there are processes in place to strengthen finance, commercial and programme management skills across the department.</li> </ul>
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<b>Action 14</b> <b>Secondments and interchanges</b>	<ul style="list-style-type: none"> <li>DFID has scaled up inward and outward secondment programme over the last two years: there are wide-ranging secondments programme already in place with regular outward secondments to institutions such as the World Bank, Africa Development Bank and UN agencies; a number of inward secondments from the private sector, such as Mott MacDonald, Shell and GlaxoSmithKline; programme of inward secondments of Research Fellows from academic institutions; and the Private Sector Department has a programme in place with outward secondments to Rio Tinto.</li> </ul>
<b>Action 15</b> <b>Permanent Secretary experience</b>	<ul style="list-style-type: none"> <li>The Permanent Secretary's commercial and operational experience has been published on the Cabinet Office website. Two DG roles are focused on large scale, frontline operational delivery, overseeing development programmes delivering services to citizens in poor countries.</li> </ul>
<b>Action 16</b> <b>Departmental Improvement Plans (DIPs)</b>	<ul style="list-style-type: none"> <li>DFID has taken an active role in the pilot for the DIPs, ensuring the DFID DIP addresses wider CSRP actions and dovetails in to work the new DFID business model.</li> </ul>
<b>Action 17</b> <b>Modern employment offer</b>	<ul style="list-style-type: none"> <li>A rigorous review of the DFID performance and career management framework was carried out in 2012. DFID has built capacity to actively address poor performance, including establishing a case management team with a specific remit to manage poor performance and attendance.</li> <li>Staff survey results show DFID scores 45 on tackling poor performance and attendance (+8 on the Whitehall average) and is introducing a clearer, more consistent and strengthened approach to tackling poor performance, including developing robust performance improvement plans (see point 13).</li> </ul>
<b>Action 17</b> <b>Modern workplaces</b>	<ul style="list-style-type: none"> <li>DFID has worked closely with the Government Property Unit to help manage the London office move from 1 Palace Street to 22 Whitehall. This move will both realise significant savings and allow us to implement more flexible workspaces (moving to 7 desks to 10 employees in London). The move was completed in</li> </ul>

	<p>early 2013.</p> <ul style="list-style-type: none"> <li>• DFID has upgraded IT systems to allow more flexible working, guidance has been updated and seminars have been rolled out. Relocation of the London office has provided the opportunity to install access control readers capable of a range of current token formats in use across HMG, and with capability for future proofing upgrades for emerging technologies.</li> </ul>
<p><b>Action 18</b> <b>Culture change</b></p>	<ul style="list-style-type: none"> <li>• The Departmental Improvement Plan will be the central vehicle through which DFID will ensure implementation of the CSRP, deal with the new business model and build an organisation that will justify the globally high reputation the Department has now in the future.</li> </ul>