



Operational Plan 2011-2015

DFID Overseas Territories Department

Updated June 2013

Contents:

	Introduction	2
Section 1:	Context	3
Section 2:	Vision	4
Section 3:	Results	5-7
Section 4:	Delivery and Resources	8-11
Section 5:	Delivering Value for Money	12
Section 6:	Monitoring and Evaluation	13
Section 7:	Transparency	14
	Annexes	15-17



Introduction

The UK Government is determined to help end extreme poverty around the world. We believe that international development is not just the right thing to do, but the smart thing to do. Britain has never stood on the sidelines, and it is in all our interests for countries around the world to be stable and secure, to have educated and healthy populations and to have growing economies. DFID aims to end aid dependency through jobs – building the economies of developing countries so that they can stand on their own feet.

No country can develop with only half of the population involved, that is why DFID is scaling up its support for women and girls across all of our country programmes, including an increased emphasis on girls education and preventing violence against women and girls.

We are also focussing on what works, investing in research and taking advantage of new technology to ensure that UK development support has the greatest impact.

DFID is committed to being a global leader on transparency, and in 2012 was ranked the top aid organisation in the world for transparency. Transparency is fundamental to improving accountability both to UK citizens and to citizens in the countries where we work. Transparency also helps us achieve greater value for money and improves the effectiveness of aid. As part of our commitment to transparency we publish Operational Plans for each area of our work setting out what we will achieve and how we will achieve it. In June 2013 DFID launched a new online tool, Development Tracker, to provide an easy way to access information and data about DFID programmes.

With less than 1000 days to go, we will continue to focus our efforts on delivering the Millennium Development Goals, creating wealth in poor countries, strengthening their governance and security and tackling climate change. The prize, in doing so, is huge: a better life for millions of people, and a safer, more prosperous world.



1) Context

The 14 Overseas Territories (OTs) have a constitutional relationship with the UK, and their citizens have a right to British citizenship. The UK Government is obliged under the UN Charter *“to promote to the utmost... the well-being of the inhabitants of these territories”*. The constitutional relationship and UN Charter obligation mean that the UK Government has the ultimate liability for the OTs.

FCO is the lead Department coordinating UK Government policy for the OTs, but the territories are a UK -Government-wide responsibility. The Foreign and Commonwealth Office (FCO) is working with all Government Departments on a new strategy to underpin this Government’s approach to the Overseas Territories, which was approved by the National Security Council in 2011. A new White Paper *“The Overseas Territories: Security, Success and Sustainability”* was published in June 2012.

Successive White Papers since the 1970s, have committed the UK Government to meet the *“reasonable assistance needs”* of the OTs as a *“first call”* on the aid budget. DFID’s role was clarified in the 2012 Overseas Territories White Paper, in which Secretary of State Andrew Mitchell stated that *“the Government remains committed to meeting the reasonable assistance needs of Territories where financial self-sufficiency is not possible, as a first call on the aid budget”*. In such circumstances, DFID’s support to the Territories is not discretionary.

The International Development Act 2002 specifically exempts aid to the OTs from the poverty reduction criteria that apply to the rest of the DFID aid budget. Most of the OTs have achieved the Millennium Development Goals (MDGs). Three OTs have long term financial dependency, with chronic budget deficits due to a combination of physical inaccessibility, undiversified economies, declining populations (for example the Montserrat volcanic eruptions of 1995 to 1997 reduced the population by about two-thirds) and other severe problems (such as Pitcairn sex abuse cases). Two others, Turks and Caicos Islands (TCI) and Anguilla, graduated from financial support as recently as 2003 but have suffered acute short term fiscal crises since the global economic downturn. We are part-way through a five year financial relationship with TCI through guaranteeing commercial bank lending.

Three other EU member states (France, Netherlands and Denmark) have Overseas Countries and Territories (OCTs), and all but the wealthier OCTs have access to specifically earmarked European Development Fund (EDF) support. With the exception of the EU, the UK Government is the only source of grant funding for our OTs. OTs in the Caribbean region can borrow from the Caribbean Development Bank, but the OTs are not members of the IMF or World Bank and are ineligible for any other multilateral funding, such as UN climate funds.

The Government’s ambitions for the OTs are set out in the White Paper, which conveys the Government’s aspirations to see the OTs as flourishing assets that are proud of their British heritage and connections. It stresses three objectives: economic growth and development; sound management of public finances; and stronger technical support, drawing on the full range of Whitehall Departments. For DFID, Ministers have signalled a willingness to *“spend to save”* in OTs where conditions and right. This means considering investments that have the best chance of attracting investment and stimulating private sector-led growth in the Territories. Any significant capital investments that are made in the Overseas Territories will be based on a hard-headed assessment of the costs and benefits to the British taxpayer. In return for any major investment, OT Governments will be expected to do everything they can to reduce and eventually eliminate their dependence on UK subsidies. This thinking has informed the Government’s decision to build an airport on St. Helena and will drive future decisions on investment in other Territories.

The UK Government also carries the risk of contingent liability in other, currently unaided OTs. The liability could be crystallised through natural disaster (Caribbean Territories are prone to hurricanes, and Montserrat’s volcano remains active), as well as global events (the global economic downturn has weakened the economies of some OTs). These can lead to requests for aid from Overseas Territories that are not oda-eligible. Of the 11 unaided OTs, only one is currently oda-eligible.

Limited human capacity in the small populations of many OTs presents a significant challenge, and HMG is increasingly called upon to supplement this. However ultimate operating risk is considerably lower in the OTs than in DFID aided countries. OT Governments are headed by a Governor recruited by FCO.



2) Vision

Overview

The Coalition Government has a vision for the Territories: of flourishing communities, proudly retaining aspects of their British identity and creating new opportunities for young and future generations; of natural environments protected and managed to the highest international standards (White Paper 2012). The standard DFID Bilateral Aid Review pillars do not apply to the OTs. Instead, the priorities are as follows.

- **Pillar 1:** To meet the “reasonable assistance needs” of OT citizens cost effectively
Interventions will maintain physical access to the islands, strengthen human capacity to deliver public services effectively, including health and education provision, and produce efficiency savings. We will help to reduce fiduciary risk and increase transparency and accountability of all our support.
- **Pillar 2:** To accelerate aid-dependent OTs towards self-sufficiency
Future interventions, if approved, will provide the physical and human capital to create an economic and social hub for Montserrat and improved access for St Helena, enabling private sector-driven economic growth which will reduce aid dependency over time. Such strategic investments, which go beyond simply meeting reasonable needs, are unlikely to be appropriate for a small OT such as Pitcairn with little prospect of self-sufficiency.
- **Pillar 3:** To contribute to UK Government’s management of the financial liability for non-aided Caribbean OTs in crisis
DFID will work with the FCO in the Turks and Caicos and Anguilla to improve fiscal management; strengthen public financial management and administration capacity and systems; and reduce the risk of future fiscal crises. With the exception of emergency humanitarian responses, DFID will only engage with other non-aided Overseas Territories if substantial negative changes to their circumstances lead to significant contingent liabilities on the aid budget.

We will minimise the cost of our OT obligations. Options include whether or not to make a large upfront investment as described above. In St Helena and Montserrat the upfront option may make sense. In Pitcairn, which has limited revenue potential, we will continue to meet the islanders’ annual reasonable needs cost effectively, focussing our support on sea access and key workers. We will seek to broaden support OTs receive: from within HMG, the Caribbean region and the EU.

Gender can be an important factor in OT development. Montserrat shares many of the gender differences that exist elsewhere in the Caribbean such as boys’ underachievement in formal education and an increasing economic and social burden on women. There is a high level of female-headed households on St Helena as a result of labour migration which has split up families. Currently around 25% of children living in St Helena have one or more parents living abroad. Gender inequalities are also a likely factor in the sexual exploitation of children on Pitcairn and our child protection work is about a fundamental shift in behaviour. Our support to the aided OTs addresses gender equality issues, particularly through human development technical assistance

Alignment to DFID and wider UK Government priorities A major priority in the DFID Structural Reform Plan 2011-2015 is to *deliver on obligations to the Overseas Territories: help to provide an improved environment for economic and social development and promote self-sustainability*. The new UK Government strategy, designed to reinvigorate the relationship towards the OTs, was approved by the National Security Council (NSC) in July 2011. A White Paper was published in June 2012. DFID will work with the FCO to manage its contingent liabilities in the Territories effectively, drawing on residual powers where necessary.

What we will stop doing . With airport construction well underway, we aim to move to a longer term partnership with St Helena. To reflect a more strategic approach to budget and policy planning, we will negotiate budget aid settlements on a 2-3 year rolling basis, rather than annually as at present. Annual budget negotiations will continue with the Government of Montserrat until plans for strategic capital investments are clearer. This will give the OTs more flexibility and control over their budgets .



3) Results

Pillar/ Strategic Priority	Indicator	Baseline (including year)	Expected Results (including year)
To meet the “reasonable assistance needs” of OT citizens cost effectively	DFID Contribution of total Government Revenue	2010/11: Montserrat 60% St Helena 58 % Pitcairn >95%	2014/15: Montserrat: Less than the baseline * St Helena 50% Pitcairn <= baseline
To meet the “reasonable assistance needs” of OT citizens cost effectively	% students in Montserrat passing 5 CXC -CSEC subjects (grades 1-III), including English and Maths	2010/11: 23%	2014/15: 40%
To meet the “reasonable assistance needs” of OT citizens cost effectively	% of diabetes patients in St Helena with blood glucose levels under control (HBA1C ≤ 7.5)	2010/11: 56%	2014/15: 70%
To accelerate aid-dependent OTs towards self-sufficiency	St Helena: Construction of an airport	2010/11: Four conditions not met	2014/15 Airport embankment and concrete runway complete; terminal building 80% complete by March 2015
To accelerate aid-dependent OTs towards self-sufficiency	Montserrat: New town and port facilities at Little Bay and Carr’s Bay. Geothermal energy available for domestic consumption.	2010/11: Way forward on town and port developments, and geothermal, unclear	Ministerial decisions on public funding for Carr’s Bay/Little Bay by July 2013. Results of geothermal drilling by June 2013.

* **Under review:** A more marked reduction in the medium-term (such as contained in the initial “roadmap” target) is dependent on catalytic infrastructure investment. New targets will be agreed in-year once there is greater clarity on the investment projects currently being considered and once the GoM Chief Economist is in place.



3) Results (continued)

Pillar/ Strategic Priority	Indicator	Baseline (including year)	Expected Results (including year)
To ensure that DFID's \$260m guarantee for TCI Government borrowing has no cost for the UK taxpayer and ends in 2016.	TCI budget deficit/surplus before capital, debt repayments. (Deficits bracketed)	2010/11: TCI US\$ (59.4m) / £(39.6m)	2014/15: TCI achieves target budget surplus
To manage the UK Government's contingent financial liability for non-aided Caribbean OTs in crisis	Number of non-aided Territories requiring financial support from DFID.	2010/11: DFID only involved in TCI	2014/15: DFID still only involved in TCI



3) Results (continued)

Evidence supporting results

The Overseas Territories have minimal statistical capacity, with very limited qualitative and quantitative data available. However, to the extent it is possible, we will work with OT strategic economic and planning units to use evidence in the design, monitoring and evaluation of policies and programmes.

In budget aid negotiations to Montserrat, St Helena and Pitcairn, DFID and its partners will consider the following evidence to underpin its support: statement of progress in the implementation of strategic plans; the budget outturn for the three prior financial years; macroeconomic and social statistics (GDP, GNP, Inflation), remittance data and the findings of recent Household Income Expenditure Surveys; data on public sector remuneration (likely to include supporting evidence such as pay and grading analysis, review of staffing levels, key posts and potential skills gaps); tax and non tax data (tax base, tax receipts, sea access income, expenditure and balance).

Monitoring and evaluation systems are built into OTD's technical assistance programmes, particularly on health and education.

DFID funded evidence suggests that St Helena has been suffering economic and social decline, with increasing levels of outwards migration and GDP per capita decreasing to around £3900. Evidence suggests that an airport is the best way to bring new financial opportunities to the island, not least an increase in tourism. The airport should eventually make the island financially independent. Supporting evidence includes: Atkins Feasibility Study (2004); Catherine Leech St Helena Tourism Development Plan 2010-2015 (2009); Economic Appraisal of Access Options (2010, 2011) This evidence base for an airport is strong and helped to inform the International Development Secretary's approval for St Helena Government to sign a contract in November 2011 with Basil Read (Pty) Ltd for the Design, Construction and Operation of the airport.

There is strong evidence that DFID's engagement in TCI has reduced its outstanding financial liability in that Territory. DFID funded executive and advisory technical assistance has helped improve public financial management, increase revenues and reduce wasteful and inefficient expenditures. The resulting improved fiscal trajectory increases the probability that TCIG will be able to sustainably refinance its public sector debts without UK Government support from 2016.

Value for Money (VfM) rationale

For each currently financially dependent OT, the single most important VfM issue is the choice mentioned above, between giving a relatively small amount of money each year or a much larger amount of money up front to buy out the future annual needs. Should the proposed "up front" approach, via relatively large infrastructure investments go ahead on Montserrat we will need to ensure that they are economical, efficient and effective. This has been the case for the St Helena Airport where we went to great lengths to get the least cost and least risk construction option and ensuring that the Saints take on their responsibility to develop tourism.

In TCI our scheme potentially delivers an extreme example of value for money. One option would have been for DFID to provide grant funding at a cost of £160m, probably spread over several years. DFID has instead guaranteed a commercial loan worth £160m. This keeps the pressure on TCIG to deliver a fiscal surplus quickly. Technical assistance and associated risk management activities to protect the guarantee are expected to cost £9m, substantially lower than the grant aid approach, which would have cost the UK taxpayer over £160m.



4) Delivery and Resources

The department is located in Abercrombie House, East Kilbride (although 3 project staff and the Deputy Director remain in London). There are also DFID staff on St Helena and Montserrat.

DFID is committed to helping aid-dependent territories, wherever possible, achieve self sufficiency and graduation from aid. Montserrat, St Helena and Pitcairn need aid to balance their budgets, guarantee reliable access to the islands and develop their economies. Public financial mismanagement and the global economic downturn threaten the fiscal stability of other Caribbean including TCI and Anguilla. The geographical spread (Caribbean, South Atlantic and South Pacific) and the size of the Overseas Territories portfolio (£50.5m in 2009/10) does not justify programmes being managed from the islands themselves. OTD's internal programme structure is built around three programme teams: Southern Oceans; Montserrat; and Caribbean Overseas Territories At Risk, with advisory staff providing specialist inputs across the whole programme.

DFID's **programme funding** to the aid-dependent OTs is largely delivered as **budget aid** to help balance their budgets. This is currently negotiated annually, based on a DFID assessment of reasonable assistance needs. In addition, DFID provides **technical assistance** to improve governance and public financial management, improve the quality of basic services such as health and education, foster economic growth and address critical staff gaps. The constrained labour markets and limited human capacity in the OTs present a significant challenge, and OTD continues to explore innovative ways to broaden the resource pool from which our partners can draw. The proposed capital investments in Montserrat and St Helena in particular – and to a lesser extent the governance reforms in the Caribbean OTs - will require considerable imported human capital. Our current **capital funding** is provided for maintenance and expansion of essential infrastructure, including roads, water, power, waste and buildings. We have traditionally provided capital funding in the form of **discrete projects**, however we recently agreed with St Helena Government to provide capital funding through **budget aid** to give them greater flexibility and control to deliver their strategic infrastructure plan. We intend to do the same in Montserrat: a 10 year physical development plan, funded by DFID, was published recently (March 2013). Work is well underway on the construction of an airport on St Helena. Mobilisation is complete and the contractor has now completed 750,000 m³ (out of 8,000,000 m³) of the main rockfill embankment for the airport. Montserrat is moving ahead with its plans to develop a new capital and port and anticipates DFID support. The EU is another important financier of capital projects in both the oda and non-oda eligible OTs, through funds specifically earmarked within the European Development Fund.

We will engage with partners to broaden the support OTs can receive. We will: strengthen the OT involvement of regional bodies such as the IMF-funded Caribbean Regional Technical Assistance Centre (CARTAC), the East Caribbean Central Bank and the Caribbean Development Bank; and ensure that the EC's review of the 2001 Overseas Association Decision leaves UKOTs no worse off financially. Where OTs are ineligible for international funding (for example for climate change) due to their constitutional relationship with the UK, we will ensure they receive appropriate UK assistance, including access to the Defra/ FCO/ DFID funded Darwin Initiative.

The UK Government carries the risk of contingent liability in all OTs. This can lead to unexpected requests for support from high income OTs that are not oda-eligible, for instance if they experienced a fiscal or financial crisis. DFID does not have a spare budget for non-ODA assistance, and so in such a crisis assistance needs would have to be financed by HM Treasury or by other UK Government departments.



4) Delivery and Resources (continued)

Planned Programme Spend (Pillar Breakdown not Appropriate for the OTs)

Overseas Territories	2010/11		2011/12		2012/13		2013/14		2014/15		TOTAL	
	Resource £'000	Capital £'000	Resource £'000	Capital £'000	Resource £'000	Capital £'000	Resource £'000	Capital £'000	Resource £'000	Capital £'000	Resource £'000	Capital £'000
TOTAL	45,000	15,087	46,405	51,151	43,282	91,215	50,445	75,302	54,965	58,521	240,097	291,276

1. Given UKG's obligations towards to Overseas Territories, DFID might be asked to pay for costs which cannot be easily predicted.



4) Delivery and Resources (continued)

Planned Operating Costs

	2010/11		2011/12		2012/13		2013/14		2014/15		Total	
	FTE	£'000	FTE	£'000	FTE	£'000	FTE	£'000	FTE	£'000	FTE	£'000
Frontline staff costs - Pay	5.5	240	28.57	1,346	30.5	1,659	29.67	2,035	26.2	2,188	114.94	7,228
Frontline staff costs - Non Pay		100		383		348		300		301	0	1,332
Administrative Costs - Pay	23	1,400	1	152	1	99	1	101	1	102	4	454
Administrative Costs - Non Pay		618		162		24		14		13	0	213
Total	28.5	2,358	29.57	2,043	31.5	2,130	30.67	2,450	27.2	2,604	118.94	9,227

1. The 2010/11 figures do not include the live forecast of £140,000 to implement the AH relocation process funded by DFID's human resources department. The base forecast for 2011/12 is £40,000.
2. Of the 30.5 OTD posts required in 2012/13 a number of posts remained unfilled/vacant.



4) Delivery and Resources (continued)

Planned Efficiency savings

Delivering Programme Efficiencies		
Category	Details	Residual cost in the SR period £'000
Strategic Reprioritisation	2010 decision to go ahead with an airport on St Helena, subject to 4 conditions	See note
Further examples of Programme efficiency	Loan Guarantee for TCI	US\$260m

- 1.The additional short term costs of constructing an airport on St Helena are outweighed by the long term benefits.
- 2.An airport should eliminate the island's reliance on aid in excess of £20 million from the UK every year in the medium-longer term.
- 3.Saving should TCI not default on its loan.

Administrative Cost Savings Initiative	2011/12			2012/13			2013/14			2014/15		
	FTE	PAY £'000	Non Pay £'000	FTE	PAY £'000	Non Pay £'000	FTE	PAY £'000	Non Pay £'000	FTE	PAY £'000	Non Pay £'000
Reduction in Consultancy Payments		240			240			240			240	
Reduction in Travel			150			150			150			150
Reduction in Training												
Reduction in Estates & Property Costs												
Reduction in costs - Office Restructuring		108			81			52			23	
Other Reductions												
Total	0	348	150	0	321	150	0	292	150	0	263	150

1. In addition, OTD has made significant savings on accommodation overheads by relocating to Abercrombie House, however these benefits will accrue to DFID centrally and are not reflected in the table.



5) Delivering Value for Money

Drawing on our own skills & expertise, and that available centrally within the Division, in economics, procurement, results & statistics, we will develop a comprehensive VfM strategy.

In TCI we have developed what is, for DFID, a highly innovative approach to getting VfM. Instead of a grant we have guaranteed bank lending. We have therefore kept TCIG in touch with commercial borrowing markets to which they will be able to return once they have a sustainable fiscal surplus. This approach tackles the problem of a potential dependency relationship and could save the UK taxpayer £160m or more.

Build our own capacity for VfM delivery

Identify VfM roles, related core skills and individual skills deficits across the OTD teams.

Identify tailored VfM training as appropriate for staff according to role and skill gaps.

Identify VfM success criteria, according to role, that can be used in staff performance management forms.

Conduct a VfM review and forward look annually.

We will harness Corporate and Divisional financial improvement strategies and tools to ensure we have the correct systems, procedures and practice in place to drive continued improvement in financial management. This will include the Divisional Finance Officer and Corporate Manager working more closely with the divisional accountant, ensuring programme managers and advisers are involved in setting quality base forecast and monthly budget discussions with programme managers and HoD.

Strengthen our VfM analysis

OTD will continue to structure its VfM analysis around the Treasury's and National Audit Office's concept of the "3 Es" – Economy, Efficiency and Effectiveness

- **Economy** – ensuring that we source inputs at the lowest possible price. Expenditure on capital projects is an important aspect of OTD's work. We are ensuring that capital project inputs of the correct specification and quality are procured at the lowest possible price. For instance, the St Helena access project has been the subject an OGC Gateway Review. Amongst other areas, this looked at the procurement plan, and suggested some improvements.
- **Efficiency** – ensuring that the ratio between inputs and outputs is as low as possible. OTD's project preparation is already delivering efficiency indicators that can be used for monitoring purposes during project implementation. In addition, we are working on a standard set of social and cost indicators to ensure the "reasonable needs" of OT citizens are being met at least cost to UK taxpayers.
- **Effectiveness** – the relationship between inputs and the achievement of desired impacts. Although external influences mean that OTD does not have direct control over the achievement of its strategic objectives, OTD's careful use of option, design and risk appraisal during project conception and preparation mean that the chance of successfully achieving ultimate value for money is greater, and that the generated benefits justify their costs. OTD is ensuring that its economists have the required appraisal skills, and if necessary, is requiring their attendance on DFID's appraisal course. Furthermore, OTD is spreading awareness of appraisal to admin and non-economist advisers through seminars and on-the-job training. The link with evidence generated by post-project evaluation evidence is essential in influencing maximum effectiveness. As more evaluation becomes available, OTD will be careful to feed it back into subsequent appraisals.

Promote VfM when working with others

OTD will continue to partner with organisations that have procurement expertise to deliver VfM. A strategic partnership with the Caribbean Development Bank is in place for the financing and procurement of new power generation capacity for Montserrat to get the best VfM on the overall funding package.



6) Monitoring and Evaluation

Monitoring

How – The OTD Operational Plan and Results Framework will be monitored through our programme monitoring and evaluation systems. Each programme has a logical framework with robust quantifiable indicators and targets which are sex-disaggregated where appropriate.

Who – Responsibility for monitoring lies with OTD staff and programme partners, sourcing independent reviewers for our larger and more complex programmes. To facilitate lesson learning we will ensure teams undertaking reviews of projects over £1 million include at least one member from another OT team to build structured lesson learning. We will also seek participation in project reviews from other staff across the Division.

When – Programme level monitoring will be through continuous annual reviews.

What action results – Poorly performing projects (scoring C or in some cases B) will continue to have an improvement plan in place within 8 weeks of review. Projects with consecutive scores of C will be considered for closure. All reviews will be published on the DFID website. A strategic programme review in 2010 assessed the extent to which current OTD investments are at risk from climate change; these recommendations are being turned into actions including access to the Defra/ FCO/ DFID funded Darwin Initiative.

Evaluation

Drawing on our own skills & expertise, and that available centrally within the Division, in economics, evaluation, results & statistics, we will develop a comprehensive Evaluation Plan. This will establish a systematic decision making process and agree criteria to determine priorities with an indicative schedule. This could include:

- Our two major possible investments, St. Helena airport and Montserrat Little Bay, which will have substantive M&E components built into their design.
- An OTD wide evaluation of budget aid (50% of our expenditure), or a joint evaluation with our partner governments of the efficiency and effectiveness of public expenditure as a whole.
- Thematic evaluations of OTD Education, Health and Public Sector Reform portfolios to strengthen the evidence of their effectiveness in meeting reasonable needs and improving public service delivery.
- The new programmatic approach to infrastructure maintenance that we introduced in St Helena in 2009/10 and will look to replicate this in Montserrat. An evaluation of the effectiveness, efficiency and impact of this shift in St Helena could be evaluated in 1+ year from now.
- Our overall support to Pitcairn, or our refurbishment of Tristan da Cunha's harbour.
- Our regional programmes on a case by case basis, perhaps jointly with our implementing partners.

Building capacity of partners

We will work with partner OTs to develop their capacity in monitoring and evaluation, informed by a needs assessment. This will include offering technical assistance and training where needed. We will continue to use and support the development of M & E systems within the territories, to use these systems as the basis for our own performance reporting and to plan and implement our evaluations as joint exercises – making all results publicly available. We will consider establishing a partnership with the University of the West Indies to provide a platform for technical assistance, training and support to OTs in the region, and seek other ways to pool lesson learning and encourage knowledge transfer between the South Atlantic territories



8) Transparency

Transparency is one of the top priorities for the UK Government. We will ensure that we continue to meet our commitments under the UK Aid Transparency Guarantee including publishing detailed information about DFID projects, including programme documents. and we will provide opportunities for those directly affected by our projects to provide feedback

Publication of information

- We will meet the commitments made by DFID in the UK Aid Transparency Guarantee by publishing detailed information of all new programmes on the DFID website, as well as details of all programme and admin spend over the £500 threshold.
- We will ensure that all project performance reviews and evaluations will be published on the DFID website from 1 April 2011, except where there is a compelling reason to withhold it (for example the St Helena air access project was highly commercially sensitive during the tender period). In the latter case we will find other forms of independent verification, such as the NAO, to satisfy the government's transparency commitments
- We will ensure that all information in the public domain is comprehensive, accessible, accurate and timely.
- We will publish a summary of this Operational Plan on the DFID website.

Supporting transparency in our work

- We will increase opportunities for those directly affected by our projects to provide feedback on the performance of those programmes. We will do this through the project review process.

Supporting transparency in others

- We will work with Overseas Territory partner governments and implementing partners of co-funded projects to improve their standards of transparency in continuation of the objectives of the Aid Transparency Guarantee.
- We will influence Territory governments, through our engagement on public financial management, to provide their citizens with a greater range of budget documents in a more timely and user-friendly manner, including the publication of programme-based budgets linked to medium-term policy and planning documents.
- We will also encourage and support Territory governments to:
 - meet their own commitments for delivering greater transparency in procurement, through full advertising, declarations of interest and publication of contracts awarded;
 - support production of timely and published audit reports, including value for money audits;
 - promote strengthening integrity systems, for example declaration of assets;
 - encourage, where appropriate, compliance with international standards on tax transparency.

Air Access for St Helena

In preparation for the development of air access for St Helena, DFID and the St Helena Government agreed a Memorandum of Understanding (MoU) in December 2010 setting out reforms required to open up St Helena's economy and increase tourism. Key to this are: (i) increased transparency in land development, immigration and investment policies and procedures; and (ii) improved communications and information sharing with the public and private sectors on proposed reforms and the benefits of air access and economic growth. DFID agreed through the MoU to support the St Helena Government to deliver these commitments. In September 2011, we judged that significant progress had been made. In 2012/13 and beyond, DFID technical co-operation will continue to support this transparency agenda.



Annex A: Revisions made to Operational Plan 2012/13

- **Vision**
 - Pillar 3 text amended to better reflect UKG responsibilities and DFID role
 - Text on what we will stop doing updated. With airport construction well underway, we aim to move to a longer term partnership with St Helena. To reflect a more strategic approach to budget and policy planning, we will negotiate budget aid settlements on a 2-3 year rolling basis, rather than annually as at present. Annual budget negotiations will continue with the Government of Montserrat until plans for strategic capital investments are clearer. This will give the OTs more flexibility and control over their budgets .
- **Delivery and results**
 - Financial data and headcount information has been updated.
- **Results progress**
 - Results progress annex updated to include the most current data available from Overseas Territories Governments.



Annex B: Results Progress

Progress towards headline results

Pillar/ Strategic Priority	Indicator	Baseline (include year)	Progress towards results (include year)	Expected Results (include year)
To meet the “reasonable assistance needs” of OT citizens cost effectively	DFID contribution to total government revenue	Montserrat 60% St Helena 58% Pitcairn > 95% (2010/11)	Montserrat: Economic assumptions underlying the previous target have not been realised (IMF report 2011). Target to be revised when growth forecasts and the likely impact on planned investments on the economy are clearer. Based on Budget Aid agreements in St Helena: 54% in 2011/12, 51% in 2012/13, 50% in 2013/14. Ahead - final target met one year early. Pitcairn: on track	TBC 50% (2014/15) < baseline (2014/15)
	Percentage of students in Montserrat passing five CXC-CSEC subjects (grades 1-III)	23% (2010/11)	23% passed 5 CXC –CSEC subjects (grades I-III), including English and Maths (Aug 2012), down from 26% in August 2011. Decline blamed in 3% fall within the Caribbean region in English results.	30% 2013 35% 2014 40% 2015
	Percentage of diabetes patients in St Helena < 65 years of age with blood glucose levels under control (HBA1C ≤ 7.5)	56% (updated baseline for 2011: 49% for all diabetics no age segregated data available)	47% of the target population had an HbA1c ≤ 7.5 ; target not on track , but with an overall improvement in diabetes related care provision reflected in an increased coverage of comprehensive annual check-ups for diabetics < 65 yrs from 46% in 2010 to 69% in 2012/13	70% (2014/15)
To accelerate aid-dependent OTs towards self-sufficiency	Construction of an airport on St Helena	No airport (2010/11)	On track: a contract to design, construct and operate an airport was signed in November 2011. Mobilisation complete and main works now well underway. Project on time and to budget.	Airport embankment and concrete runway complete; terminal building 80% complete by March 2015



Annex B: Results Progress

Progress towards headline results*

Pillar/ Strategic Priority	Indicator	Baseline (include year)	Progress towards results (include year)	Expected Results (include year)
	New town and port facilities in Montserrat Geothermal energy available for public consumption	Way forward on town and port developments and geothermal unclear	Good progress by the Government of Montserrat (GoM) on delivery against Memorandum of Understanding reforms. Port development proceeding to 90% design stage. GoM actively seeking private sector support. DFID decision on investments not before July 2013 – timescale to be agreed with GoM. Geothermal drilling started in March 2013 – results due in September 2013.	Ministerial decision on public funding for Carr's Bay and Little Bay not before July 2013. Results of geothermal drilling by September 2013.
To manage HMG's financial liability for non-aided Caribbean OTs in crisis	TCI budget deficit/surplus before capital, debt repayments (deficits in brackets)	US\$ (59.4m)/£(39.6m) (2010/11)	TCI remains on track to achieve a fiscal surplus in 2012/13 despite worse than expected budget performance in 2011/12	US\$40.3m/£25.2m (2014/15)
	Number of non-aided Territories requiring financial support from DFID	DFID only involved in TCI (201/11)	On track: TCI remains the only one of the four "At Risk" Overseas Territories where DFID is involved	DFID still only involved in TCI (2014/15)

* These results may not be directly aggregatable with other country results due to different measurement methodologies