



Operational Plan 2011-2015

DFID Policy Cabinet

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	15-16



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

In the last decade, many developing countries have experienced fast growth, and in most parts of the world poverty has been decreasing. However, there are still over 1 billion people living in extreme poverty, mostly in sub-Saharan Africa and South Asia. 22 of the 34 countries furthest from reaching the Millennium Development Goals (MDGs) are in, or are emerging from, violent conflict, most of which have an associated, protracted humanitarian crisis. Much poverty also remains in countries that have reached middle income status.

In the period to 2015, DFID will continue to focus on progress on the MDGs in those low-income fragile and conflict-affected states in which none of the MDGs have yet been met; DFID will tackle global issues: aiming to finally eradicate polio, tackling pandemics, and dealing with problems created by ungoverned spaces, such as terrorism and organised crime. DFID also need to consider what we can do as a development agency to help tackle poverty in middle income countries. Emerging global powers such as India and China are changing the way development happens and will be critical to solving global problems.

The context for Policy Division (PD) will be to provide the best policy options to help DFID focus its efforts on building economic, social and political institutions that provide the environment for sustained growth and poverty reduction, as well as social and political inclusion, including for women and girls.

Cabinet's work will fall into two areas for the period of this Operational Plan. First, it will help to secure an ambitious framework for development after the 2015 MDG deadline. Cabinet will work in particular to ensure success of the Prime Minister's co-chaired Secretary General's High Level Panel on the post-2015 development agenda – supporting the PM's Special Envoy - providing analysis, ensuring joined-up working between the various post-2015 processes, managing relations with relevant UK government departments and forming partnerships with government and non-government actors, internationally.

The remainder of PD Cabinet's work is internally focused and will be about getting the best value out of PD's people and money, helping it to maximise the results it delivers, and be innovative in its work



2) Vision

PD's vision is that it will shape, drive and deliver policy to transform poor people's lives.

PD will use the best ideas, evidence, and analysis to:

- Support the delivery of the bilateral programme through lesson learning across the portfolio; provide expertise on Value for Money, indicators and unit costs of investments; knowledge sharing and exchange; and support innovation for development impact.
- Provide analysis and advice in support of Ministerial policy requests and business plan/Structural Reform Plan priorities.
- Continue to promote change internationally and in international organisations by helping develop UK policy positions for the G8, G20, post-2015 framework, international summits, and climate negotiations; and coordinating actions and policy positions with other donors, philanthropic organisations and international bodies.
- Engage in Whitehall policy discussions around aid and non aid (e.g. migration, illicit flows of money).
- Build public and parliamentary support for the UK's development effort.
- Deliver selected aid results that are better funded centrally e.g. eliminating polio and neglected tropical diseases; the international growth centre; and climate knowledge network.

PD Cabinet will, during the planning period of this Operational Plan, focus on ensuring the Division's resources offer best Value for Money. It will provide a coordination role and home for initiatives which are cross-PD related, as well as cross-DFID post-2015 work. PD Cabinet will stimulate PD to better: absorb innovative ideas; support the PD and the Divisions' Leadership Team in driving changes in the performance culture towards Value for Money, people management and corporate compliance; improve management of structural staffing changes; ensure the Development Policy Committee acts as an effective forum for setting policy direction and driving implementation; ensure DFID's corporate processes and procedures support delivery of the Division's business and reduce their transaction costs; and be a role model for diversity and effective management.

What Cabinet will stop doing : the Olympic Legacy project will end in 2014; several phases of relocating PD posts from London to East Kilbride will be completed. The PD Challenge Fund will not be used again.



3) Results

Headline results

Pillar/ Strategic Priority	Indicator	Baseline (including year)	Expected Results (including year)
	Number of DFID Policy Division annual reports consistently showing improved value for money in the use of programme resources.	December 2011 Portfolio quality score of 75.8%. Note: the DFID scoring system has changed	Portfolio quality maintained by the end spending review period Achieve 100% score (under the new scoring system)
	No. of corporate performance standards for Policy Division (e.g. payment processing, financial forecasting, project documents etc.) which are maintained or improved.	16 green scores in 2011/12 PD Director's Statement of Assurance	Achieve 80% green scores by end spending review period.
	Extent to which post-2015 High Level Panel report shapes the international development framework.	Not applicable	Report in June 2013 sets out a transformative post-2015 vision, focused on poverty eradication, includes a set of goals and is referred to thereafter.
	% improvements in staff perceptions in Policy Division of managing change and the reasons for it.	2011 People survey score for managing change well 25% and changes usually for the better 16%.	Both scores increase to 50% by end of spending review.



3) Results

Headline results (continued)

Pillar/ Strategic Priority	Indicator	Baseline (including year)	Expected Results (including year)
	Extent to which think tanks (Overseas Development Institute, Centre for Global Development, International Institute for Environment and Development and Institute of Development Studies) are generating policy products which are being disseminated and taken up effectively as a global public policy goods.	All four Accountable Grants issued and work programmes commenced in April 2012.	Portfolio performance (as detailed in published Annual Reviews) will average 100% over the spending review period.
	Increasing use made by DFID country offices of lesson learning 'themesites', measured in number of total hits to all themesites.	14,000 hits between October 2011 and March 2012.	20,000 hits during 2012/13 - achieved 30,000 by 2015
	Technology, as a means to boost development, is increasingly used in DFID programming	i-hub established 2013	DFID's i-hub provides advice to five programmes by 2015



3) Results (continued)

Evidence supporting results

Value for Money (VfM) rationale

The work of PD Cabinet achieves Value for Money in several ways.

In helping to shape the post-2015 framework with analysis, influencing and evidence, Cabinet is making a contribution towards the effectiveness of future development assistance internationally.

Internally, it will support PD in continuing to be compliant with the various civil service wide freezes (recruitment, consultancy, marketing etc.) and help staff to find ways to deliver the same results with less resource. Cabinet will also help PD to manage change processes so that they comply with employment law and best practice, and bring about efficiency savings through improving financial forecasting.

As a Cabinet we will engage with PD staff to ensure all new projects are safeguarded against fraud and corruption. Specifically Cabinet will ensure projects have the right due diligence checks; enable PD staff to carry out financial spot checks; and promote greater awareness of the warning signs of anti-corruption and fraud warning.

Improved 'financial principles' for spending through think tanks will be introduced and will ensure better value for money, including reduction in fee rates over the spending review period.

PD Cabinet with Research and Evidence Cabinet will launch a new Evidence and Programme Exchange internal e-platform in May 2013. This will have available Value for Money data by sector or theme for DFID country offices to use for design and implementation of their programmes. It will include, for example, unit costs for inputs across countries; what works in technology; best practice on measuring impact; the latest evidence and analysis. This should help to improve the VfM of DFID country programming.

PD Cabinet will continue to identify bureaucratic processes that do not need doing. Cabinet will move to a system of "spot-checking" on corporate compliance (e.g. the Director's Statement of Assurance six-monthly spot-check) rather than ongoing monitoring or comprehensive returns. Cabinet will ensure that engagement with Finance and Corporate Performance Divisions on corporate processes is at a sufficiently strategic level to minimise the burden on the rest of the Division and ensure their concerns are reflected in all major new corporate programmes.



4) Delivery and Resources

While PD will continue to set the agenda, including for the international community, on some of the policy themes that can have significant impact on development (climate, wealth creation, health, education, anti-corruption, technology, fragility etc.) PD's delivery focus will change over the Operational Plan period to be more country-facing – with DFID country office demands increasingly shaping PD's priorities and work-programmes, and PD increasingly helping to improve the Value for Money of bilateral programming. A broad menu will include:

- Facilitating the flow of knowledge and information across DFID in thematic areas which require rapid scale-up;
- Increasing value for money of DFID programme delivery by developing internal websites for DFID staff to bring in learning from elsewhere, exchange advice on unit costs, benchmarking, metrics and indicators, experience from piloting cash transfers; malaria and anti corruption portfolio oversight reports;
- Supporting innovation programmes, testing and development;
- Providing practical guidance to country offices to operationalise policy themes.

In exceptional circumstances, filling staffing gaps on a short term basis in high priority countries where the lack of technical capacity is threatening the ability of the country office to achieve results. These would be agreed with the PD Director. PD Cabinet will support individual PD departments to make the change in delivery focus towards supporting DFID country offices.

On programme resources, Cabinet will over the next four years manage PD's relationship and programme budget for the think tanks (Overseas Development Institute (ODI); International Institute for Environment and Development (IIED); Centre for Global Development (CGD); and Institute of Development Studies (IDS)). Cabinet will continue to oversee the DFID input into: the Foreign and Commonwealth Office (FCO)/UK Border Agency (UKBA)/ DFID/Ministry of Justice (MoJ) Returns and Reintegration Fund; and the Sport and Development Olympic Legacy project. These are delivered by FCO and the Department for Culture, Media, and Sport (DCMS) respectively and DFID contributes by transferring funds to these departments and by engaging in the governance arrangements to shape, monitor and evaluate their impact.

Cabinet will manage the UK's financial contribution to the costs of the UN Secretary General's post-2015 High Level Panel (HLP). Cabinet's partners are:

Directors (Policy, and to a lesser extent, Research and Evidence, and Trade Policy); PD staff; International Directors' Office (IDO); Other government departments; Think Tanks (ODI, CGD, IIED, IDS); and for post-2015 work, Cabinet Office/No.10, UN Secretary General's office, independent HLP secretariat, plus the Governments of Indonesia and Liberia (which are HLP co-chairs).



4) Delivery and Resources (continued)

Planned Programme Spend

Pillar/Strategic priority	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
Wealth Creation					1,160		925		854		2,939	0
Climate Change					5,947		6,523		5,914		18,384	0
Governance and Security					3,694		3,761		3,392		10,847	0
Education											0	0
Reproductive, Maternal and Newborn Health											0	0
Malaria											0	0
HIV/Aids											0	0
Other Health					245		198		183		626	0
Water and Sanitation											0	0
Poverty, Hunger and Vulnerability					190		148		137		475	0
Humanitarian											0	0
Other MDG's					1,801		3,739				5,540	0
Global Partnerships					1,682		1,140				2,822	0
TOTAL	0	0	0	0	14,719	0	16,434	0	10,480	0	41,633	0



4) Delivery and Resources (continued)

Planned Operating Costs

	2010/11	2011/12	2012/13	2013/14	2014/15	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Frontline staff costs - Pay						0
Frontline staff costs - Non Pay						0
Administrative Costs - Pay			1366	1346	1213	3925
Administrative Costs - Non Pay			177	74	70	321
Total	0	0	1543	1420	1283	4246



4) Delivery and Resources (continued)

Planned Efficiency savings

Delivering Programme Efficiencies		
Category	Details	Residual cost in the SR period £'000
Strategic Reprioritisation		
Further examples of Programme efficiency		

	2011/12		2012/13		2013/14		2014/15	
	PAY £'000	Non Pay £'000	PAY £'000	Non Pay £'000	PAY £'000	Non Pay £'000	PAY £'000	Non Pay £'000
Administrative Cost Savings Initiative								
Reduction in Consultancy Payments								
Reduction in Travel								
Reduction in Training								
Reduction in Estates and Property Costs								
Reduction in costs as a result of Office Restructuring								
Other Reductions					117			
Total	0	0	0	0	117	0	0	0



5) Delivering Value for Money (VfM)

- The launch of the Evidence and Programme Exchange (thesesites) internal e-platform in May 2013 will provide a relevant and updated VfM and unit cost guidance across all of DFID programming.
- Any programmes funded by Cabinet that are deemed to be underperforming in their Annual Reviews will face the prospect of being closed. Also the terms on which we provide funding to think tanks will be in line with those provided to DFID staff e.g. economy class travel; no per diems; no hospitality costs. Fee rates will also reduce.
- Cabinet staff will fill short term gaps for special projects, avoiding the need to seek additional resources from elsewhere. Examples are work to increase the capability of DFID to better safeguard its resources against corruption and fraud; and a review of the Independent Commission for Aid Impact.
- Travel and training per capita costs for Cabinet staff will reduce over the spending period.
- Cabinet will provide an in-house events management function so as to lower the extent to which PD needs to call on external expertise.
- Cabinet's Accountant will work with PD staff to improve their financial management of PD's budget (some £600 million per year)
- All PD policy products will be produced online rather than published.
- Cabinet will continue conducting organisation wide VfM training and engage with departments on due diligence awareness and Anti-Corruption and Fraud training.
- Cabinet posts will be advertised for appointment in either East Kilbride or London headquarters enabling better use of accommodation space.



6) Monitoring and Evaluation

Monitoring

PD Cabinet plans to monitor and account for the results in Cabinet's results framework of the Operational Plan every six months. PD Cabinet will do this by assessing progress (through a traffic lights system) and a discussion with the Policy Director. We will take account of progress and the lessons learned from these reviews as we refresh the Operational Plan each year.

Cabinet will engage with staff within PD departments responsible for particular results in order to provide the Policy Director with quarterly updates on delivery of the results to which PD has committed.

Evaluation

At the end of the Spending Review period Cabinet will conduct an evaluation which assesses achievements and the extent to which the results in this plan have been met.



7) 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.

All PD departments will publish detailed information of all new programmes on the DFID website (now on gov.uk), and all contracts, and all spending over the £500 threshold. Annual project performance reporting and end of project evaluation from April 2011 is also published. We will ensure that wherever possible, all information in the public domain is comprehensive, accessible, comparable, accurate and timely. We will also seek opportunities for feedback from those benefiting from PD programmes.

DFID will meet the standards set out in the International Aid Transparency Initiative (IATI) and will encourage our partners to do the same.

Cabinet will encourage all PD Departments to meet their transparency commitments by including any changes in internal corporate update communications.



Annex A: Revisions made to Operational Plan 2012/13

Key revisions have been made to the results as follows:

Results

- There has been an update on the portfolio score to reflect the new DFID scoring system.
- The High Level Panel (HLP) result has been removed as the report to the High Level panel was published in June 2013.
- A new result has been added to reflect the Government's focus on innovation and technology.
- Two results have been removed. One that focused on the PD challenge fund was achieved in 2012; and the other on the Returns and Reintegration Fund (RRF) was removed as accountability for the Fund lies with the FCO.
- There was also an update on the VFM rationale to reflect the fact that we are now, and will do more in future, on due diligence checks and fraud and corruption, VFM.



Annex B: Results Progress

Progress towards headline results*

Pillar/ Strategic Priority	Indicator	Baseline (include year)	Progress towards results (include year)	Expected Results (include year)
	No. of DFID Policy Division reports consistently showing improved value for money in the use of programme and admin resources.	December 2011 Portfolio quality score of 75.8%.	March 2013 Portfolio quality score of 104.8, using the new scoring system. Note: the DFID scoring system has changed	Portfolio quality maintained by the end spending review. Achieve 100% score (under the new scoring system)
	No. of corporate performance standards for Policy Division (e.g. payment processing, financial forecasting, project documents etc.) which are maintained or improved.	16 green scores in 2011/12 Directors Statement of Assurance	74.8% in 2012/13 Directors Statement of Assurance.	Achieve 80% green scores by end spending review period
	% improvements in staff perceptions in Policy Division of managing change and the reasons for it.	2011 People survey score for managing change well 25% and changes usually for the better 16%.	Managing change well 37%; changes are usually for the better 19% in 2012 People Survey	Both scores increase to 50% by end of Spending Review.
	Extent to which think tanks (ODI, CGD, IIED and IDS) are generating policy products which are being disseminated and taken up effectively as a global public policy goods.	All four Accountable Grants issued and work programmes commenced by April 2012.	First Annual Review scores: CGD A+; IIED A; ODI A; and IDS B using the new scoring system.	Portfolio performance (as detailed in published Annual Reviews) will average 100% over the spending review period.
	PD Challenge Fund is operational, allocating programme resources in a transparent manner, prioritising strategic merit and value for money of DFID investment.	Commissioned to design an internal Challenge Fund (March 2012).	Bidding round opened in August 2012. Bids were ranked by strategic value, results and VFM. PD Departments allocated funds to the highest ranking bids from September 2012.	Facilitate at least one bidding round for resources over 2012-15 (by April 2013). We do not plan any more bidding rounds.
	Increasing use made by DFID country offices of lesson learning 'themesites', measured in number of total hits to all themesites.	14,000 hits between October 2011 and March 2012.	20,000 hits during 2012/13 - achieved	30,000 by 2015

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