DFID India's Management Response to: Assessing VFM in DFID's health portfolio for Bihar, Madhya Pradesh and Odisha, India, 2015

Study recommendation	Accept/partially accept/reject	Action already taken	Action to be taken	Target date
A. Recommendations for the current programmes Recommendation 1: Within the existing programmes, DFID TA should be targeted to increase the momentum within three critical areas, to ensure transformational and sustainable change: a) human resource-related issues; b) monitoring performance of innovations in health, nutrition and WASH; and c) demand-side interventions.	Partially accept. DFID India agrees that these are three priority areas for current TA and FA (to end 2015), including demand side interventions through women's self help groups and community based approaches. However, as the study notes, HR policy issues are sensitive. DFID is focusing on developing state capability for information management and for publication and use of data by government and other stakeholders.	Programme monitoring and independent process and impact evaluations, including equity indicators, are under way for all the major innovations in health, nutrition and WASH in all three states.	N/A	Findings due in 2016

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B. Recommendations for the next phase of DFID support				
Recommendation 2: <u>DFID India</u> should continue to work together with <u>state governments</u> and other stakeholders to identify where ongoing TA should be provided to departments with responsibility for health, nutrition, and WASH. The next phase of TA should be based on reassessment of key blockages to progress, and a systematic and evidence-based analysis of potential TA responses, and learning from the previous phase of support.	Accept.	DFID India is working with the three state governments to assess need, demand and transformative potential of TA. We are also assessing the UK value addition, given agreed UK priorities in India, and roles of other development partners.	Any new TA programme will include this aspect.	Potential new TA programme in 2016
Recommendation 3: TA should balance flexibility and responsiveness to meet the state governments' short-term priorities with provision of long-term strategic and 'transformative' support.	Accept.	As above. This is built into programme implementation.	Any new TA programme will include this aspect.	
Recommendation 4: <u>DFID India</u> should continue to support capacity building of state governments using a multi-speciality TA team structure.	Accept, depending on priorities agreed.	As above. DFID India continues to promote	Any new TA programme will include this aspect.	
Recommendation 5: <u>DFID India</u> should continue to advocate for state governments to increase their roles in donor coordination. <u>State governments</u> should take a leading role in initiating and managing DP co-ordination according to their own needs.	Accept.	state leadership for development partner co- ordination, and also organises regular meetings with partners as part of midyear/annual reviews.	Any new TA programme will include this aspect.	
Recommendation 6: <u>DFID India</u> should articulate an explicit strategy for supporting state governments and research partners in the generation, and translation into policy and practice, of evidence relating to how programming can improve equity.	Accept.	DFID India's state TA teams are revisiting how equity aspects are addressed in programme strategies for implementation, monitoring and evaluation.	Any new TA programme will include this aspect.	
Recommendation 7: <u>DFID India</u> and <u>state governments</u> should agree a revised incentive structure for ensuring mutual accountably around the delivery of TA.	Accept.		Any new TA programme will include this aspect.	

C. Recommendations to improve measurement of the VFM of TA Recommendation 8: <u>DFID India</u> should focus its attention on a consolidated set of indicators of VFM in the state health systems. <u>TA providers</u> should work closely with <u>state governments</u> on ensuring that data is collected and used to improve the economy and efficiency of use of public funds. Recommendation 9: In developing its TA strategy, <u>DFID</u> (in conjunction with <u>state governments</u> and <u>TA providers</u>) should devote resources to developing a clear and simple 'VFM framework' for jointly planning, monitoring and assessing TA provision in the future.	Accept.	Efforts being made to further strengthen VFM indicators and reporting based on study findings.	DFID India will explore developing a VFM framework as part of its new TA strategy.	April 2016
Recommendation 10: <u>DFID India</u> and <u>DFID Headquarters</u> should be realistic and pragmatic about the extent to which 'external' attribution of their TA in India can be achieved.	Accept.	Addressed in existing DFID guidance notes	Issues of attribution are being considered as part of TA design	April 2016
D. Recommendations on longer-term sustainability				
Recommendation 11: <u>DFID India</u> should ensure that consultation with the government around priority areas for the next phase of TA explicitly considers longer-term capacity building, ownership and exit strategies.	Accept.	DFID India is working with all three state governments to ensure exit and sustainability strategies are in place for current programmes.	Any new TA programme will include this aspect.	April 2016
Recommendation 12: <u>TA providers</u> should support capacity building and organisational development of State Health Resource Centres, with a view to transferring responsibility for TA provision to the centres in the longer term.	Partially accept, depending on each state's strategy.	DFID India is already working with state health resource centres/similar bodies		