

4 The United Kingdom's structure and systems

This chapter considers whether the United Kingdom's institutional arrangements support its development co-operation objectives. It focuses on the system as a whole and assesses whether the United Kingdom has the necessary capabilities in place to deliver its development co-operation effectively and to contribute to sustainable development.

The chapter looks at authority, mandate and co-ordination to assess whether responsibility for development co-operation is clearly defined. It further explores whether the system is well co-ordinated and led with clear, complementary mandates, as part of a whole-of-government approach – at headquarters and in partner countries. Focusing on systems, the chapter further assesses whether the United Kingdom has clear and relevant processes and mechanisms in place. Finally, it looks at capacity across the United Kingdom's development co-operation system, in particular whether the United Kingdom has the necessary skills and knowledge where needed to manage and deliver its development co-operation and assesses the effectiveness of its human resources management system.

In brief

Formal structures, professional systems and skilled staff are hallmarks of the United Kingdom's development co-operation

Since the 2014 peer review, the United Kingdom's development co-operation system has transitioned from one largely managed by the Department for International Development (DFID) to a whole-of-government effort across 15 government departments. Structures introduced over a relatively short period to support co-ordination, leadership, coherence and accountability are effective at a strategic level and development co-operation issues are regularly discussed in National Security Council structures. Capacity to manage official development assistance (ODA) has improved. There is further potential to unlock skills, expertise and capacity across government to address development challenges, with each department playing to its strengths.

Staff and systems in ODA-spending departments place a strong focus on results and performance, and follow Treasury guidance on managing public money and DFID/Treasury guidance on ensuring value for money. Increasingly, ODA-spending departments have guidance in place that is consistent with DFID's Smart Rules. DFID's country-led model delegates budgets and decision making to well-staffed country offices, complementing what can best be done locally with centrally-managed programmes and multilateral partnerships. Institutional and organisational constraints, such as incompatible information and communication systems, increase the costs of collaboration.

Reducing the number of DFID Smart Rules from 200 to 37 has not resulted in lighter, nimbler or less onerous procedures for partners as recommended in the 2014 peer review. A clear ambition to take informed risks and to innovate is at odds with the checks and balances that are in place to identify and manage risks, particularly in relation to innovative or sensitive issues or working in the most difficult contexts. A strategic narrative that clearly sets out where, when and why innovation should be pursued would be helpful in positioning innovation at the core of DFID's culture and values.

The depth and breadth of the United Kingdom's expertise is valued by all partners and is a cornerstone of its credibility and ability to influence. The United Kingdom invests in having a presence in partner countries, including in fragile states. Staff directly employed by British embassies are an important asset for the United Kingdom's development programmes – though more could be done to draw on their knowledge when developing policies and strategies and to develop more consistent career paths for different categories of locally-engaged staff.

Authority, mandate and co-ordination

While budget accountability is clearly defined, there is no single point of leadership or accountability for delivering the 2015 UK Aid Strategy across government.

Since 2015, the United Kingdom (UK) has delegated responsibility and accountability for delivery of its Aid Strategy to 15 government departments (DFID and Treasury, 2015^[1]), listed in Figure 4.1. As with other parts of the UK government, each department is responsible for its ODA budget, targets, results and staff, with each Permanent Secretary directly accountable to parliament. Two cross-government funds introduced in the Aid Strategy (Box 4.1) are managed by a Joint Funds Unit housed in the Cabinet Office

and directly accountable to the National Security Council and parliament. DFID remains an independent government department with its own seat in cabinet, which gives it the access, mandate and stature to bring its extensive knowledge, expertise and learning on development considerations into cabinet-level discussions (Chapter 1).

Accountability by individual departments for their ODA budgets is a solid approach where development constitutes a significant share of their work. However, where the ODA budget represents a small proportion of a department's overall budget (e.g. less than 0.2% of the Department of Health and Social Care and the Cabinet Office budgets in 2018), the development portfolio does not necessarily attract a high level of political oversight and engagement.

Independent bodies such as the Independent Committee for Aid Impact (ICAI) and the National Audit Office undertake robust reviews and performance audits which are complementary and whose findings are acted upon and considered by ministers and senior management. The International Development Committee is active in overseeing performance and draws on ICAI reports and its own enquiries to hold the government accountable for ODA expenditure and development results.

In summary, as noted by the National Audit Office, the current system of devolved accountability is effective for oversight of each departmental budget and plan but falls short of providing a clear point of accountability for the overall delivery of the UK Aid Strategy objectives. As set out in Chapter 2, the next update of the United Kingdom's development co-operation strategy is an opportunity to address this.

The development system is well co-ordinated with clear, complementary mandates

A coherent and co-ordinated approach to delivering the 2015 Aid Strategy is ensured through two complementary structures (see also Annex D), both of which are effective and clearly understood:

1. Two sub-committees of the National Security Council (NSC) oversee implementation of the Aid Strategy and the two cross-government funds, with the DFID Secretary of State as a permanent member. DFID is represented on all of the National Security Implementation Groups through which senior officials co-ordinate their approaches to issues that cross departmental boundaries.
2. An ODA ministerial group co-chaired by Treasury and DFID oversees allocation and execution of the ODA budget, supported by a Senior Officials Group which meets regularly. The Senior Officials Group expects to shift its attention from spending ODA to monitoring results, transparency and value for money. A cross-government results framework introduced in 2019 could develop over time into a tool for strategic decision making on ODA allocations across government (Chapter 6).

Structures and strategies are regularly reviewed and refined¹, based on robust analysis.

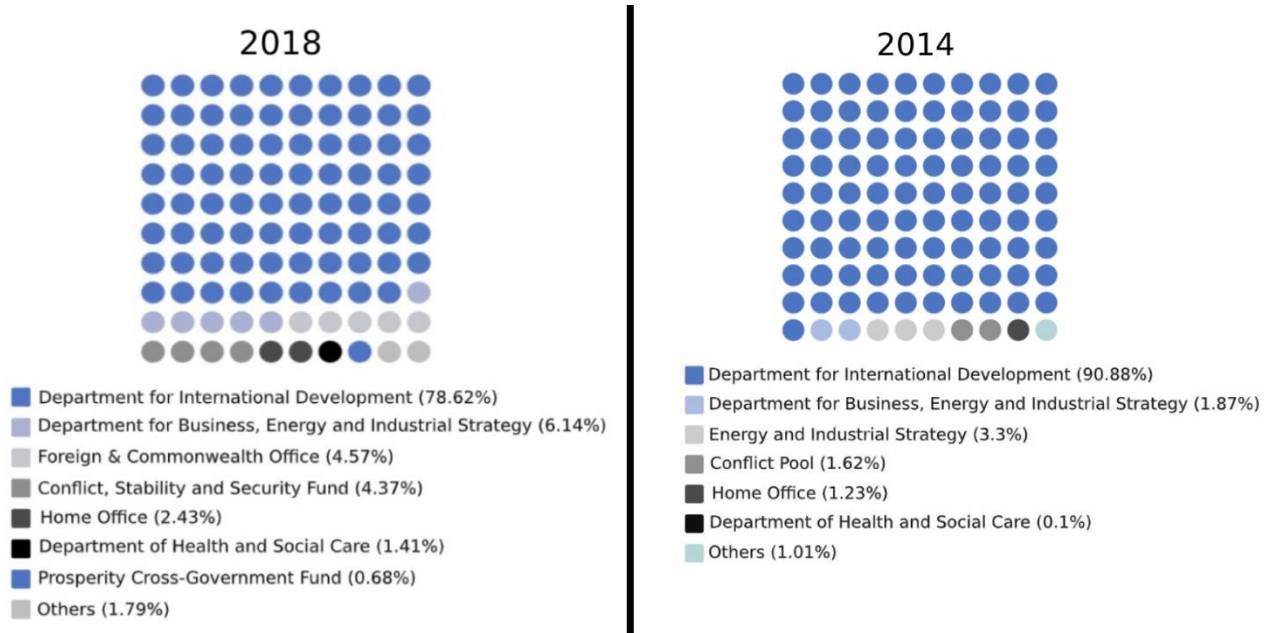
Responsibility for ODA budgets is clear, but quality assurance could be clarified

Having more departments managing ODA has required more regular and robust co-ordination and communication, and a clear distribution of responsibility. After a relatively short period, co-ordination mechanisms are working well with responsibilities clearly assigned. Treasury is mandated to allocate ODA across government and to monitor forecasts and expenditure to ensure that the United Kingdom delivers on its legislative requirement to spend 0.7% GNI as ODA. DFID manages 70-75% of the UK ODA budget (HM Government, 2019_[2]) and is the spender of last resort, required to absorb any shortfalls in ODA spent by other departments. Being obliged to report 100% of its budget as ODA gives DFID singularity and clarity of purpose, which minimises internal tensions and trade-offs. It can, however, limit DFID's activities and instruments, inter alia for engaging the private sector and working in middle-income countries.

DFID is also responsible for ensuring that all departments have sufficient capacity to manage – from planning through implementation to evaluation and audit – their ODA allocations. DFID has dedicated significant resources to this over the past four years, through staff secondments and loans; joint units; and

helpdesk functions, and capacity has improved. A clear mandate to assess the results and eligibility of all ODA would further strengthen DFID's ability to assure the quality of UK development co-operation.

Figure 4.1. DFID spends the largest share of ODA in an increasingly diverse system



Note: Other departments include Treasury, Ministry of Defence, Department for Environment, Food and Rural Affairs, Department for International Trade and the Department of Digital, Culture, Media and Sport. Each circle represents one percent of the United Kingdom's ODA rounded to the nearest percentage.

Source: HM Government (2019^[3]), Statistics on *International Development*; www.gov.uk/government/collections/statistics-on-international-development.

A focus on spending ODA has overshadowed attention to leveraging expertise

The 2014 peer review (OECD, 2014^[4]) recommended that the United Kingdom bring its expertise across government to bear on its development co-operation objectives (OECD, 2014^[4]). The Fusion Doctrine holds great potential to achieve this and there are already some very good examples of how the United Kingdom's approach is benefitting from a whole of government approach (Chapter 1, Annex C). The Anti-corruption Group in Kenya, the Public Health Rapid Support Team and training by the National Statistics Office and HM Revenue & Customs, are just a sample of the enormous potential available for unlocking new skills, expertise and capacity across the United Kingdom to address development challenges.

There is nonetheless a risk that if the cross-government approach remains focused on spending ODA, the United Kingdom will create a series of "mini DFIDs" without crowding in new ways of working and expertise.

Due to political uncertainty, the most recent Periodic Spending Round, which set out the government's spending plans, was for only one year (2020-21). The next multi-year spending review will allow strategy updates, budgets and plans to be clearly negotiated within and between Departments, and with Treasury. Building on the experience of other Development Assistance Committee (DAC) members², consideration could be given to reducing the number of departments directly managing ODA budgets while introducing systems for these departments to draw down skills and expertise from across government, with each department playing to its strengths. This would have the added value of saving administrative costs and streamlining co-ordination.

Box 4.1. The United Kingdom's cross-government funds

To support its cross-government approach to development and the National Security Strategy, the 2015 Aid Strategy introduced two cross-government funds which blend both ODA and non-ODA resources.

- The Conflict, Stability and Security Fund (CSSF) is designed to address both national security and development objectives and can fund security, defence, peacekeeping, peace-building and stability activities (HM Government, 2020^[5]). Spending through the CSSF in 2018-19 was USD 1.68 billion (GBP 1.257 billion), of which 48.4% was reported as ODA.
- The Prosperity Fund aims to raise people out of poverty in middle-income countries through broad-based and inclusive growth, with a focus on improving the global business environment, strengthening institutions, and encouraging private investment (HM Government, 2020^[6]). The Prosperity Fund budget is USD 1.57 billion (GBP 1.22 billion) over seven years, of which 98% is to be reported as ODA (Cabinet Office, 2018^[7]).

The mix of ODA and non-ODA in the CSSF is an important innovation, enabling programme teams to focus on the most appropriate response to the problem at hand, without being unduly concerned about whether the spend can be reported as ODA. This has allowed the CSSF to be highly responsive to changes in strategic direction. For example, as the 2015 migration crisis unfolded, relevant government strategies were revised and funding for programmes to achieve migration objectives via the CSSF tripled. With a much smaller non-ODA component, the Prosperity Fund is required to ensure that all programmes have a primary objective of supporting inclusive economic growth to reduce poverty.

Both funds are managed by a Joint Funds Unit housed in the Cabinet Secretariat and each fund has its own appraisal processes and approval board, after which the budget is passed to a lead department. Prosperity Fund programmes tend to be multi-annual with a more rigid delivery plan from the outset and typically do not change significantly once approved. A cross-government director level board, as well as Local Strategy Boards chaired by heads of mission meet monthly to oversee CSSF progress, promote alignment and fusion, and to drive forward the catalytic and innovative potential of the funds. Lead departments apply their own procedures to the funds which can lead to duplication and delays.

Source: HM Government (2019^[2]), *DAC Peer Review Memorandum (unpublished)*; HM Government (2019^[6]), *Joint Funds Unit management response to CSSF annual review synthesis report: 2017 to 2018*, www.gov.uk/government/publications/joint-funds-unit-management-response-to-cssf-annual-review-synthesis-report-2017-to-2018; interviews held during the review process.

Strong co-ordination in partner countries would benefit from more compatible systems

In partner countries, whole-of-government approaches under the Fusion Doctrine sit clearly under the leadership of the Ambassador or High Commissioner, helping to ensure that all the United Kingdom's resources are directed towards shared objectives. UK government departments are typically housed together and share support functions.

DFID's treasured and commended country-led model is reinforced by a single, delegated budget and well-staffed country offices. DFID has a matrix structure of strategy, support and spending units (Annex D) which allows for bottom-up planning, keeping development or humanitarian needs as the starting point for country allocations. While business planning can be protracted, this structure empowers staff working in partner countries and brings decision making closer to those who know the context.

There has been a steady fall in the levels of staff, budget and authority delegated to country offices in recent years. This is partly intentional: guidance for the current business planning cycle urges country offices to focus their budgets and country presence on engagements and programmes that cannot be

served through multilateral channels or centrally managed programmes. Focusing limited country resources is to be commended but will require more flexibility on overhead costs, taking into account the complexity of some programmes and engagements.

Unlike many DAC members, humanitarian assistance is embedded within DFID country teams and systems, with the Conflict, Humanitarian and Security Department intervening only when the United Kingdom has no country presence or where country offices request additional support (Chapter 7). This is excellent practice. The Foreign and Commonwealth Office (FCO) has longstanding presence through the UK diplomatic network, with teams reinforced where there are significant development budgets, such as to manage the CSSF portfolio in Jordan. Other departments have varied levels of delegation and staffing in partner countries but they are increasingly present in countries where they have significant activity.

Further opportunities exist to strengthen the Fusion Doctrine approach at country level. With the exception of countries of high national security interest, such as Jordan, the United Kingdom does not systematically develop whole-of-government country strategies, limiting opportunities to identify synergies and learning across countries and departments. In addition, despite much willingness, the transaction costs of co-ordination at the country level are high for all departments and collaboration at an operational level continues to be hampered by incompatible systems and procedures, even within the same Embassy or High Commission. Staff working in FCO for instance cannot access information on DFID's Aid Management Platform or join DFID video conferences. Finally, the United Kingdom has a highly decentralised civil service with most human resource decisions – including pay agreements – devolved to individual departments. As a result, integration of teams across government is challenging and staff in embassies and high commissions hired by different departments have different terms, conditions and career opportunities.

Systems

The United Kingdom's established and professional civil service has a long tradition of being rules-based, and officials follow guidance closely. Staff and systems in ODA-spending departments place a strong focus on results and performance. Table 4.1 assesses DFID's systems, some of which are used by other departments.

Table 4.1. Assessment of the United Kingdom's development co-operation systems

	Yes	No	Comment
Policies (Chapter 2)	●		<ul style="list-style-type: none"> ▲ Single, clear policy framework across government; policies published in new areas¹ and policy discussed by advisers ● Public information and consultation on policies and strategies not systematic, particularly under National Security Council
Programming (Chapter 5)	●		<ul style="list-style-type: none"> ▲ Clear responsibilities for Senior Responsible Officers; regularly updated Smart Rules and value for money guidance; meaningful (although fluctuating) delegation of authority to units and country offices; predictable, flexible, multi-annual funding ▲ Strong focus on results, evaluation and learning (Chapter 6) with attention shifting from project to portfolio level
Partnerships (Chapters 2 and 5)	●		<ul style="list-style-type: none"> ▲ Clear, published partnership principles; recognition of the value and roles of diverse development actors; rationale for partner selection set out in business plans; active engagement in multilateral governance structures ● A narrow framing of effectiveness leads to a supplier relationship in funding partnerships; most partners consider DFID engaged but too focused on control and compliance
Quality assurance	●		▲ Strong quality assurance, reinforced by Smart Rules, advisors, programme quality boards and results management
Audit (Chapter 4)	●		▲ Satisfactory internal audit function and external controls
Mainstreaming cross-cutting issues (Chapter 2)	●		<ul style="list-style-type: none"> ▲ Advisory cadres and country development diagnostics provide a strong analytical base to identify opportunities and risks ● Reliance on DFID advisers to mainstream issues; other government departments have limited access to DFID expertise
Procurement, contracting, agreement-making	●		<ul style="list-style-type: none"> ▲ Clear guidance including DFID's Statement of Priorities and Expectations.³ Most contracts are awarded competitively; contract notices and awards are published, early market engagement events and information sessions are good practice ● Procedures indirectly favour large suppliers based in the United Kingdom and most research contracts are awarded in the United Kingdom, missing opportunities to support local businesses and institutions in developing countries
Strategic, reputational, programming, security	●		<ul style="list-style-type: none"> ▲ Risk managed at programme and portfolio levels; risk information publicly available, regularly reviewed and discussed with partners. Strong systems and guidance but focused on compliance, regular monitoring and mitigation measures ● Weight of compliance and control discourages partners from using DFID funding for risky or highly innovative proposals
Corruption	●		▲ Strong attention on financial risk in grant management and analysis of corruption in a wider country context. Holistic approach to corruption management and prevention drawing on resources across government
Safeguarding	●		▲ Strong systems for sexual exploitation, abuse and harassment which are widely understood and applied (Box 4.2)

Note: The Yes/No columns indicate whether the systems in question meet the indicator described in Chapter 4 of the DAC Peer Review Reference Guide. Green triangles refer to good practice and where progress has been made since the 2014 peer review of the United Kingdom; orange circles point to areas where more could be done. (1) Since 2018, DFID publications have included a governance position paper, disability inclusion strategy, education policy, digital strategy and a strategic vision for gender equality.

Source: OECD Secretariat based on documentation and information provided by the United Kingdom.

Partners find DFID systems onerous, impacting on their diversity, agility and risk-taking

Across the board, partners commented on the high transaction costs of working with the United Kingdom, echoing the 2014 peer review findings. This is despite the introduction of the Smart Rules in 2015, through which the number of rules reduced from over 200 to 37 and Senior Responsible Owners were empowered to make decisions within a framework of guiding principles, performance expectations and accountability.

The 10 Smart Rules Principles encourage staff to do things differently to deliver better outcomes and learn lessons; to be ready to propose difficult, transformational programmes in high-risk environments; and to use judgement to present reasoned, evidence- and risk-based proposals. Value for Money guidance issued by Treasury and DFID recognises strategic partnerships, encourages flexibility for programmes to adapt and emphasises the importance of considering longer term change in addition to immediate outputs. However, partners find that these good intentions are diluted through the system and many describe DFID as highly engaged but with a culture that is focused on compliance and control.

Although programmes adapt in response to new evidence or annual review findings, heavy due diligence, forecasting and reporting requirements discourage partners from being agile and responsive. In higher risk environments, such as Jordan, due diligence and oversight are more intense but it is precisely when risks are higher that partners need to be agile and nimble, with the UK government willing to assume more risk. While many partners acknowledge that DFID requirements have introduced efficiencies and new ways of working, they feel that both DFID and partners would benefit from a shared approach to risk management and learning from programmes. An initiative underway to streamline DFID's operational model may be helpful in supporting the move towards system-wide use of adaptive management. Reinforcing the message that responsibility for risk-based management ultimately lies with senior management at country level or in headquarters, rather than with project managers, should reduce the default to compliance and create the space needed for more informed and innovative risk management.

Strategic direction and tailored tools would reinforce DFID's commitment to innovation

DFID was one of the first donors to advocate for new solutions to development challenges, backed by some of the first challenge funds. Its innovation portfolio has now reached significant scale, breadth, depth and maturity and a number of ideas, such as mobile finance, have been brought to scale with impressive results. Innovation is a focus in around 50 different DFID programme components with initiatives ranging from challenge funds, to venture capital-style investing via the Global Innovation Fund, to ecosystem support such as the forthcoming Africa Technology and Innovation Partnerships programme. Over a 10-year period, DFID has invested over USD 1.9 billion (GBP 1.5 billion) in innovation-related programming across 10 sectors to support projects in 60 different countries, with the majority centred on Sub-Saharan Africa and South Asia. In addition to success with specific innovations, the United Kingdom's portfolio in Jordan demonstrates how fresh thinking and political leadership can lead the United Kingdom to adopt new and effective approaches (Annex C).

DFID is building the capacity of its country teams to engage in innovation, with a particular focus on technology⁴. A performance management system "Being My Best" introduced in 2018 has awards for staff demonstrating core DFID values and behaviours. One of the recognised behaviours is "encouraging innovation, and measured risks – then failing fast, adapting quickly, and sharing learning". This is a positive step in building a culture of innovation as DFID aspires to do. A strategic narrative on innovation that clearly sets out where, when and why innovation should be pursued would be helpful in positioning innovation at the core of DFID's culture and values.

Innovators, implementers and investors find that getting Treasury approval and political cover for risk-taking requires an unrealistic level of clarity at a very early stage, stifling the space for innovation and adaptive management. Although many identified the United Kingdom as an important source of ideas and evidence, DFID was not always their first choice of donor to approach with an innovative or high-risk

proposal. In addition, they noted few examples of DFID's explicit commitment to discuss failure (DFID, 2014^[9]) being borne out in practice.

Box 4.2. Shaping an international response to sexual exploitation, abuse and sexual harassment

Since early 2018, the United Kingdom has put its political weight behind measures to end sexual exploitation, abuse and sexual harassment (SEAH) and improve accountability in the international aid sector, including recognition of existing international standards to prevent and respond to SEAH. This included hosting a major international summit in October 2018, convening multiple stakeholder groups and co-chairing a DAC Reference Group which developed an OECD DAC recommendation on the issue (OECD, 2019^[10]), adopted by all DAC members (OECD, 2019^[10]). Other activities spearheaded by the United Kingdom include work to strengthen the use of global criminal records and to transform the leadership and cultural aspects of all organisations in the sector.

The ability of the United Kingdom to pivot towards this issue with high-level political engagement underpinned by quick, decisive action – ranging from staff surveys and welfare provisions to compulsory online training, performance assessments, updated Smart Rules, due diligence assessments and procurement clauses both in DFID and in a number of other departments – is indicative of the United Kingdom's ability to act quickly and coherently when there is a sense of urgency.

The United Kingdom's work on this important and neglected challenge is an important complement to its broader and valued work on sexual abuse, harassment and violence against women and girls. It was also catalytic in building momentum across the system and galvanising improved coherence around international standards. However, few partners have been able to keep pace with the United Kingdom and it will be important to move forward in a way that ensures a sustainable, joint response and allows time for the United Kingdom to consult, and learn from, partners.

Source: Interviews with DFID staff and non-governmental organization partners; DFID (2019^[11]), *Safeguarding against Sexual Exploitation and Abuse and Sexual Harassment in the aid sector - DFID's standards, guidance for partners and information on how to report a concern*, www.gov.uk/guidance/safeguarding-against-sexual-exploitation-and-abuse-and-sexual-harassment-seah-in-the-aid-sector; HM Government (2020^[12]), *Guidance - Safeguarding Against Sexual Exploitation and Abuse and Sexual Harassment (SEAH) in the Aid Sector*, www.gov.uk/guidance/safeguarding-against-sexual-exploitation-and-abuse-and-sexual-harassment-seah-in-the-aid-sector.

Capabilities throughout the system

Deep and broad expertise underpins the United Kingdom's credibility and influence

The United Kingdom continues to attract and retain committed and experienced staff with appropriate skills and expertise⁵. In particular, DFID's knowledge and evidence are recognised as an asset for the entire development community. Knowledge and learning flow easily between DFID's 1 500 advisers (Table 4.2), who are organised into cadres related to their main discipline, each with a head of profession. As a result, policies and programmes remain updated and relevant. Since the last review, the programme management cadre has risen in stature with a dedicated head of profession.

DFID's proactive approach to diversity has yielded results

Civil service reform priorities in the United Kingdom include improving commercial knowledge, digital skills and diversity across the system. DFID has been proactive in identifying measures to increase the diversity of its staff. A group of 50 individuals across the organisation, known as the Fab 50, have volunteered to work on transforming the diversity and inclusion of DFID. Recruitment campaigns in under-represented

regions and universities and provisions to support people living with disability to pursue their careers have yielded results – in 2018, 13.4% of home-based civil servants declared a disability and 14.4% identified as Black, Asian and Minority Ethnic, above the civil service averages of 10% and 12% respectively (DFID, 2018^[13]). Half of DFID Senior Civil Service posts are held by women, and pilots are underway to test whether senior posts can be opened to flexible and part time working (DFID, 2019^[14]).

Table 4.2. DFID staff breakdown in 2019

	Number of staff	Percentage of staff
Total number of home civil servants	2 775	-
Home civil servants working outside the United Kingdom	563	20.29%
Percentage of total home civil servants who are female	1 576	56.79%
Total number of staff appointed in country	872	-
Percentage of total staff appointed in country who are female	506	58.02%
Number and proportion of Senior Civil Servants	105	3.78%
Number and proportion of senior advisers	1 478	53.26%
Number and proportion of senior administrators	768	27.68%

Note: This table includes: 1) home civil servants (i.e. officials hired from headquarters) on the DFID payroll in August 2019, including staff on secondments but not including staff from other government departments and 2) numbers of staff appointed in country in March 2019; Senior advisers refer to staff at A1 and A2 level in the United Kingdom civil service, senior administrators refer to staff at A2L and B1 level.

Source: HM Government (2019^[2]), *DAC Peer Review Memorandum (unpublished)*; DFID (2019^[14]), *DFID Annual Report and Accounts 2018-19*, www.gov.uk/official-documents.

Efforts to strengthen capacity across government have taken their toll on DFID

Assigning staff to build capacity across its own government, compounded by staff reallocations to prepare for the United Kingdom's exit from the European Union (EU), have stretched human resources in DFID over recent years. With an eye on a new strategic direction, workforce planning in DFID has improved. New management dashboards provide high-level and up-to-date information on current and future staffing, skills, diversity and performance. Future planning will need to take into account the extent to which DFID is expected to support other departments in the longer term, as well as identifying and recognising skills which can be drawn down from other departments.

Supporting DFID staff through periods of change remains critical

DFID is paying more attention to staff wellbeing, particularly mental health, bullying and harassment. It has drawn from its work on Safeguarding (Box 4.2) to strengthen internal reporting and support mechanisms. Staff engagement surveys have high response rates, disaggregated results are fed back to teams of 12 or more people and remedial actions are agreed and monitored.

As noted in previous peer reviews, DFID staff have a high intrinsic motivation and loyalty, and retention is high despite relatively low salaries. Staff are nonetheless concerned about levels of morale in DFID and feel that little effort was made to engage staff and hear their concerns through the past five years, a period which was marked by uncertainty, extra workloads and significant shifts in management structures and policy direction as well as new pay negotiations. Effective staff engagement will grow in importance in the coming period.

The United Kingdom has a strong country presence, including in fragile contexts

The United Kingdom has maintained a strong and effective presence in its partner countries and in many fragile contexts. Embassy and High Commission teams benefit from appropriate skills, seniority and authority. Highly skilled diplomats, defence attachés, trade attachés, advisors and programme managers

work well together and increasingly identify common objectives. In addition, all business units can draw on the competencies and resources available throughout the system, including staff in other country offices, through a highly effective requirement for staff to give 10% of their time for objectives beyond their team. In both Jordan and Kenya, there was scope to draw more on the knowledge, networks and perspectives of local staff when formulating strategies.

At the time of the review, DFID had 1 435 staff overseas, across 54 countries. Of this, 61% (872) are staff appointed in country. Staff appointed in country are recognised as critical to DFID’s effectiveness and every effort is made to offer them a career path and personal development opportunities. In particular, they have extensive training opportunities and can avail of professional accreditation processes to rise to the rank of senior adviser – many senior private sector advisers based in DFID India are a resource for DFID globally – and it has been possible for locally-appointed DFID staff to take up posts in another country. This is excellent practice and a source of inspiration for other DAC members as well as a model for a transition to harmonised staffing across the United Kingdom government – currently different categories of locally-appointed staff have quite different career opportunities. This policy of mobility for staff appointed in country has been an important factor allowing DFID to secure adequate staff with the right skills to work in fragile contexts. Other incentives to attract staff to fragile states include shorter postings, additional leave, salary uplifts and promotion opportunities.

As seen in Jordan, where Embassy staff are available and willing to convene, network and share thinking and engage in joint advocacy efforts, they are highly valued by all partners. In recognition of this, the Better Delivery team embarked upon a process to review DFID’s operational model, including a “Give Back Time” initiative to allow DFID staff more time to engage with, and learn from, programmes and partners.

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Notes

¹ For example, the Fusion Doctrine was introduced in 2018 as a more accountable system to support collective cabinet decision making on national security priorities, drawing on lessons from the 2016 Iraq Enquiry. See the executive summary at https://webarchive.nationalarchives.gov.uk/20160708115158/http://www.iraqinquiry.org.uk/media/246416/the-report-of-the-iraq-inquiry_executive-summary.pdf. Similarly, new procedures were introduced to strengthen the advisory role of civil servants with ministers required to acknowledge in writing if they choose not to follow the advice of senior civil servants.

² For example, Norway and Sweden have developed contractual tools and Memoranda of Understanding which allows the lead development agency to draw down expertise from other Departments in a timely manner, combining the agencies' competence in "aid management" with the technical or political competence of other parts of government.

³ A Supplier Review in 2017 led to significant reforms including: a Strategic Relationship Management programme to improve collaboration with partners and unlock learning, creativity and innovation across portfolios; measures to open DFID's markets to new supply partners, small businesses and developing country supply partners; and introducing terms and conditions preventing "exclusivity" agreements. A DFID Supplier Portal was launched in July 2019 to increase timely awareness of upcoming opportunities with DFID, whether in the United Kingdom or in-country. DFID's Procurement and Commercial Division is working to diversify the supply chain by taking the lead across the UK government on an improved approach to contracting small and medium enterprises in partner countries.

⁴ For example, Frontier Technology Livestreaming awards DFID staff small budgets to experiment with new technologies, and Frontier Technology Futures involves week-long capacity building visits to help Country Offices understand the local innovation ecosystem and entry points for their work.

⁵ As the proportion of staff managing ODA in other Departments is relatively small, this section focus on staffing and skills in DFID.



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