

Operational Plan 2011-2015

DFID Ghana

Updated June 2012

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|------------------|-----------------------------------|-------------|
| Contents: | | |
| | Introduction | 1 |
| Section 1: | Context | 2 |
| Section 2: | Vision | 3 |
| Section 3: | Results | 4-5 |
| Section 4: | Delivery and Resources | 6-10 |
| Section 5: | Delivering Value for Money | 11 |
| Section 6: | Monitoring and Evaluation | 12 |
| Section 7: | Transparency | 13 |
| Annex: | Results Progress | |

Introduction

The UK Government is determined to help reduce the inequalities of opportunity we see around the world today. We believe that promoting global prosperity is both a moral duty and in the UK's national interest. Aid is only ever a means to an end, never an end in itself. It is wealth creation and sustainable growth that will help people to lift themselves out of poverty.

In May 2010, the International Development Secretary, Andrew Mitchell, commissioned the Bilateral Aid Review to take a comprehensive and ambitious look at the countries in which DFID works through our direct country and regional programmes. The review focussed on the best ways for the UK to tackle extreme poverty, ensuring that we make the greatest impact with every pound we spend. In parallel, through the Multilateral Aid Review, DFID assessed how effective the international organisations we fund are at tackling poverty.

On the 1st March 2011, the key outcomes of the reviews were announced, including the results that UK aid will deliver for the world's poorest people over the next four years. The Bilateral Aid Review has refocused the aid programme in fewer countries so that we can target our support where it will make the biggest difference and where the need is greatest. The Multilateral Aid Review findings enable us to put more money behind effective international organisations which are critical to delivering the UK's development priorities. In addition the independent Humanitarian Emergency Response Review looked at how the UK can build on its strengths in responding impartially to humanitarian needs and help ensure future disaster responses can be better prepared and coordinated.

DFID is committed to being a global leader on transparency. In the current financial climate, we have a particular duty to show that we are achieving value for every pound of UK taxpayers' money that we spend on development. Results, transparency and accountability are our watchwords and guide everything we do. DFID regards transparency as fundamental to improving its accountability to UK citizens and to improving accountability to citizens in the countries in which it works. Transparency will also help us achieve more value for money in the programmes we deliver and will improve the effectiveness of aid in reducing poverty.

The UK Aid Transparency Guarantee commits DFID to making our aid fully transparent to citizens in both the UK and developing countries. As part of this commitment we are publishing Operational Plans for country programmes. The Operational Plans set out the vision, priorities and results that will be delivered in each of our country programmes.

We will concentrate our efforts on supporting achievement of 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

Two decades of **sustained economic growth**, five **free and fair elections**, **political stability** and **relatively strong institutions** have led to significant poverty reduction in Ghana. The country is on target to halve extreme poverty by 2015. New estimates of the size of the economy, published at the end of 2010, show that Ghana is now a **middle income country** with per capita GDP of around \$1,300. Major new commercial **oil production** started in December 2010 and will soon be contributing over \$1 billion a year to the public purse. Today, Ghana is a significantly different place to the highly indebted, poor country it was 10 years ago.

The next few years will be crucial for Ghana, offering an opportunity to **transform the country's development**, firmly establishing its middle income status and delivering significantly better health, education and wealth creation outcomes. To achieve this Ghana will need to tackle a set of **challenges**: over 6 million people live below the national poverty line; progress against a number of the Millennium Development Goals (MDG) is disappointing; there are major regional inequalities, with the North of the country suffering significantly higher levels of poverty than elsewhere; girls and women perform worse across all the main social indicators; educational attainment is poor; oil is potentially a blessing, but it could also prove to be a curse; businesses are often too small, unproductive and lacking in innovation; domestic revenue collection is low; macroeconomic stability remains at risk; and Ghana's rightly-praised democracy is less robust than some think, especially now that oil has raised the stakes. Other challenges could include rising oil and food prices, though how these will impact on Ghana is not clear. As an imminent net exporter of oil, Government revenues could benefit from higher prices. The impact on the poor will depend on how the Government manages such increased revenues. On food, the majority of Ghana's poor people live in rural areas and are food producers. They will not be significantly affected by food price increases. But urban populations are likely to be negatively affected.

The Government of Ghana recognises these challenges and has set out plans to tackle them. The Ghana Shared Growth and Development Agenda (GSGDA) 2010–13 establishes an ambitious framework and identifies national development priorities, including: **human development, transparent and accountable governance, infrastructure development, agricultural modernisation and natural resource development**. The GSGDA was discussed in detail at a Consultative Group meeting in September 2010, attended by Government, business, civil society groups, established donors and newer partner countries such as China, India, Brazil and South Korea. The meeting agreed that more needs to be done to **close MDG gaps, address regional and gender inequalities and promote public private partnerships**. A consistent theme of the meeting was that **in 10 years time Ghana should not need aid**.

Donor coordination is effective in Ghana, but could be strengthened. A new Compact between Government and Development Partners is being developed. Most donors are planning to continue to support Ghana during these critical years. Division of labour is fairly advanced. DFID enjoys a close working relationship with the Foreign and Commonwealth Office through the **British High Commission**. Joint priorities include governance and security, wealth creation (also with the Department for Business Innovation and Skills and UK Trade and Investment) and climate change (also with the Department for Energy and Climate Change).

Ghana has an important role **regionally in West Africa** and across the continent. Its political, economic and social success offers lessons for other countries. Its respect for institutions and the rule of law set important precedents that influence neighbours and those further afield. It is a respected voice in the African Union, and had a pivotal and much admired role in the process of decolonisation. Although yet to be fully capitalised on, its potential role in regional trade, transport and communications, could help to bind together one of the most economically fragmented areas of Africa. New priorities around development in the north of the country could provide the platform necessary to promote regional trade and achieve growth and development benefits for neighbours as well as Ghanaians.

2) Vision

Ghana's future prosperity depends on continued political and macroeconomic stability. Growth of the private sector to increase revenues, jobs and investment will be crucial, as will the productive use of oil revenues. Ghana's abundant human capital will help to drive forward growth, but health and education outcomes will need to significantly improve. There is a real need to support girls and women, to transform their status and outcomes. Tackling regional and income inequality, delivering support to the most vulnerable and demonstrating the benefits of shared growth, will play a vital role in supporting further poverty reduction and growth. DFID Ghana's support will seek to catalyse these changes, building on the priorities in the GSGDA, and the views expressed in a process of consultation, including through two workshops with Ghanaian and other development partners. Our programme will be underpinned by two cross-cutting priorities: **girls and women** (see below), and poverty reduction and growth in **the North**. Our programme has three strategic objectives:

- **Wealth creation** - support national investment climate reform and access to finance. The office will work with business to catalyse Ghana's relatively unproductive business sector, and develop a new programme in the North to support entrepreneurship and growth. DFID will look for opportunities to enhance regional economic integration in West Africa, including through our engagement with the Economic Community of West African States and other regional programmes.
- **Competent, transparent and accountable governance** - support public financial management reform, effective management of oil revenues, accountability mechanisms and enhanced transparency. The office will focus on key issues related to gender equity, oil and the budget, as well as supporting peace building in the North and seeking to address potential discontent in the oil producing Western region.
- **Improving human development outcomes.** In **education** DFID will help to address poor performance and teacher absenteeism, reduce unit costs, increase the numbers of girls in primary and secondary school, target children who are not in school and seek a transformation in the quality of education. In **health** DFID will work to help Ghana achieve Millennium Development Goal 5, reducing maternal mortality, including through access to safe delivery, abortion and family planning services, and help to tackle malaria, including through the distribution of bednets. On **poverty and vulnerability** DFID will help to scale up the Government's cash transfer programme (LEAP) and seek to enhance the targeting of other poverty focused interventions such as the National Health Insurance Scheme.

Alignment to DFID and wider UK Government priorities

Ghana is one of the UK's most like-minded friends and one of our biggest markets in Africa and a source of one of our biggest diaspora communities. Wider UK Government policy prioritises Ghana's continued political stability and economic development, our international partnership on climate change, and Ghana's willingness to work together to manage migration. This Operational Plan clearly reflects the priorities of the wider UK Government relationship with Ghana and will help to implement DFID's Structural Reform Plan. Specifically, it will help DFID: **honour international commitments**, including through scaled up, transparent and accountable aid; increase our focus on **wealth creation**; and enhance work on **governance**. It will support efforts to improve the lives of **girls and women**. DFID will increase gender capacity in the office in Accra, lead the Gender Sector Working Group and be active in at least three of the four pillars of DFID's gender strategic vision, including: direct assets for girls and women (including through cash transfers and new income earning opportunities); delaying first pregnancy (including through family planning and access to safe abortion services); and getting girls through secondary school (including through quality standards and school stipends). On **climate change**, the office will work on a new programme in 2011, and in the meantime, continue to support the Government of Ghana's plans.

What we will stop doing

In recent years DFID Ghana has significantly rationalised its sector engagement, withdrawing from intensive engagement in transport, agriculture, land and water. This Plan confirms withdrawal from financial sector reform, public sector reform and HIV/AIDS. Over time, the office will reduce the level of general budget support from £36 million in 2010/11 to around £10 million in 2014/15, whilst maintaining levels of Sector Budget Support.

3) Results

Headline results – all results are attributable to DFID funding and are cumulative over the period

| Pillar/ Strategic Priority | Indicator | Baseline (including year) | Expected Results (including year) |
|----------------------------|--|---------------------------|--|
| Wealth creation | Number of producers accessing business services through DFID support | 0 (2011/12) | 50,000 by 2015, of whom 7,500 are women |
| Health | Additional family planning method users ¹ | 0 (2010) | Up to 608,000 by 2015 |
| Health | Number of bednets distributed with DFID support to help prevent malaria | 0 (2010) | 4.75 million by 2015 |
| Poverty | Number of people receiving DFID-supported cash transfers | 0 (2010) | 100,000, of whom 60,000 are girls or women by 2015 |
| Education | Number of girls and boys supported by DFID in basic education | 0 (2010) | 140,000 more, of whom 62,000 are girls, by 2015 |
| Education | Number of girls receiving targeted incentives to attend secondary school | 0 (2010) | 70,000 by 2015 |
| Governance | Number of people voting in Ghana's national election | 8,671,272 (2008) | 9,443,700 people vote in 2012 election |

¹ An estimate of the number of additional users of family planning supported by DFID Ghana was calculated using a Couple Years Protection methodology from DFID Ghana's procurement of contraceptives. The projected result will be re-visited over the course of this year to respond to reproductive health programme priority changes and is likely to be reduced – the revised figure will be included in the next update of the DFID Ghana Operational Plan in 2013.

3) Results (continued)

Evidence supporting results

Ghana benefits from relatively strong institutions, some areas of good data, and a long history of donor and other interventions, with associated research and evaluation. Evidence for programme interventions is therefore relatively strong.

- For a first set of interventions, where there is scope for increasing support and achieving stronger results (for instance, on family planning, bednets, school stipends, and social cash transfers), DFID Ghana is planning to scale up current or previous programmes. In these cases, evidence is strong and the expected results are based on a good understanding of what works and are considered highly achievable.
- For a second set of interventions, which will build on existing programmes that have proven effective in the Ghana context (for instance, around maternal health more generally, support to primary and secondary education, job creation, investment climate reform, public financial management, and accountability and responsiveness) design is drawing on evidence of what works. This includes evidence from Ghana, and assessing international evidence to ensure its relevance, making adjustments as necessary. Again, evidence is strong in these areas and the expected results are achievable.
- For a third set of interventions, where we are pursuing innovative approaches (for instance, around effective management of oil revenues, working in the Western Region with oil companies, communities and local authorities, supporting the electoral cycle, and support to a 'Millennium Village'), DFID Ghana has and will continue to rigorously assess evidence, and generate new evidence where necessary. The office will ensure robust monitoring and evaluation of approaches, including the use of independent evaluation as appropriate, so contributing to global evidence in these areas.

Value for Money rationale

Ghana is at a critical stage in its development. DFID Ghana has prioritised interventions in areas facing particular challenges, which are expected to yield high returns in terms of results and catalysing additional financing. In **health** we will continue to seek investments from other donors, whilst addressing priority needs. In **education** we will play a key role in securing Fast Track Initiative support, and contribute to a transformation in outcomes. **Girls and women** are at the centre of our programme, reflecting the high returns to investments in girls and women in all sectors. **Oil** offers a major opportunity for Ghana, but carries significant risks. Investment in appropriate management and use of oil revenues will have a high rate of return. Spending money to enhance the capability and role of civil society in holding Government and others to **account**, including for the use of public funds, has the potential to significantly increase efficiency of expenditure and to direct investment towards key development needs. Helping to **unlock private sector led growth** will pay dividends in terms of job creation, revenue raising and the delivery of relevant goods and services. Supporting the most vulnerable through **cash transfers** can have a major impact on educational and health outcomes for children, and can contribute to the creation of micro-entrepreneurs.

4) Delivery and Resources

DFID Ghana is arranged across four units: three programme teams (Human Development and Social Protection; Accountability and Results; and Growth and Northern Development); and one Corporate Services Team. The office is also responsible for one secondment to the World Bank. 12 staff are UK civil servants and 26 are locally appointed.

In recent years the balance of the programme shifted dramatically in favour of support to government through financial aid instruments. In 2009 60% of DFID Ghana's budget was delivered through General Budget Support, with 25% delivered through Sector Budget Support. Whilst the office will continue to support and use Government systems, this Operational Plan will adjust the use of instruments to take account of increasing domestic revenue (from private sector growth and from oil) and the need to address a number of key challenges and secure different results. By the final year of this plan **General Budget Support** will represent around one-tenth of DFID Ghana's portfolio. However, DFID Ghana will continue to actively participate in the multi-donor Budget Support mechanism, leading the multi-donor Core Group in one of the latter years of the plan and remaining active in the dialogue on macroeconomic policy, public expenditure and poverty reduction. **Sector Budget Support** – focused in health and education – will remain around a quarter of spend. For the first two years Sector Budget Support in health will focus on improving delivery of health services and public financial management. The focus of support in the last two years will be decided on evidence of impact, benefits and results. In education, earmarking of Sector Budget Support allows DFID to focus on non-wage costs in education, with a particular emphasis on teacher quality and absenteeism, unit costs in procurement, and public financial management reform.

As Budget Support decreases, the office will work through new and innovative mechanisms to maximise the impact of our investments. In health and education DFID Ghana will work with the **private sector, NGOs, donors, the UN** and others to invest in targeted programmes to tackle the key issues of malaria, maternal health and family planning, and education quality. The cost effectiveness of working with the United Nations Children's Fund (**UNICEF**) to procure and distribute bednets will be reviewed during the programme, and the conclusions of the **Multilateral Aid Review** will be taken into account in our work with UNICEF and all other multilateral partners in country. DFID will significantly increase access to **cash transfers**, which, with enhanced accountability through **civil society**, will help individuals and communities take more control of resources. The office will work with various organisations in **the North**, as well as the Government-established **Savannah Accelerated Development Authority**, using challenge funds and results-based financing to increase innovation and competition. DFID will work more generally with **business** on the North and on Ghana's overall competitiveness. **Civil society** will remain a key partner, with significant new resources made available through the multi-donor Strengthening Transparency Accountability and Responsiveness in Ghana (STAR Ghana) initiative. We will engage with **CDC** to expand its limited role in Ghana. The office will continue to work closely with the **World Bank**, including on support to Ghana's statistics service, through the Government of Ghana's cash transfer programme LEAP, and through public private partnerships and public financial management.

This plan will maintain our position (behind the World Bank, the EC and the US) as Ghana's fourth largest donor. The office will continue to support moves to increase **aid effectiveness**, and will participate fully in the development of a new Compact between Government and Development partners for Ghana. DFID Ghana will look for further opportunities to rationalise our portfolio after the period of the plan to progress division of labour between donors.

4) Delivery and Resources (continued)

Identifying changing workforce needs

In the years before this Operational Plan, increasing levels of general budget support meant staff numbers decreased. But our approach has changed. General budget support is reducing, whilst the overall programme is increasing. At the same time there is an enhanced emphasis on achieving results and value for money. Taken together, this puts greater demands on the office. DFID Ghana will therefore restructure certain functions, whilst increasing capacity elsewhere to take account of changing ways of delivering aid, the growing total size of the programme, and the emphasis on results and value for money. Key changes on the programme side will include the following new posts:

- Embedded Evaluation Adviser, to enable the office to respond appropriately to the results agenda.
- Adviser, with strong multidisciplinary advisory and evaluation skills to lead our support for a Millennium Village.
- Additional advisory support to work on our large education programme and our growing governance portfolio
- Gender Adviser to ensure we maximise the value of our work and its impact on girls and women.
- As a response to the increasing size of the programme, and increasing advisory capacity, programme teams will need additional programme support

The office will also work to build the skills of existing team members, to enhance the focus on results and value for money, to strengthen commercial skills and to ensure the cross cutting priorities (girls and women and the North) are integrated across the programme.

The Corporate Services structure and functions will also be reviewed, drawing on experience from other African offices, and taking account of guidance on effective use of finances for programmes, front line staffing and administration. Short term changes to the Corporate Services will see one less member of staff, with some shifts in grades and roles. DFID Ghana has co-located with the British High Commission and is undertaking a review with the British High Commission of opportunities to achieve efficiency savings through use of shared services. Over the four year period of this plan we will see the head of the unit being taken on by a locally employed member of staff, and shared services providing ongoing administrative savings.

Strategies for managing workforce change

Overall, DFID Ghana aims to increase total staffing numbers. All increases will be either paid for from programme or from Front Line Staffing budget lines. Changes in the Corporate Services Team over time will allow DFID Ghana to achieve overall administrative cost reductions in line with Government targets.

All teams have been consulted on proposed staff changes. Managing the change process well will be of critical importance. An immediate requirement is that all changes are dealt with in an open, transparent and consultative manner. The office will continue to seek opportunities to develop existing staff skills and capabilities. In co-locating with the British High Commission, new work opportunities will in time open up across UK Government operations in Ghana.

4) Delivery and Resources (continued)

Programme Spend

| Pillar/Strategic priority | 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 |
| Wealth Creation | 3,200 | | 6,400 | | 15,000 | | 16,000 | | 40,600 | 0 |
| Climate Change | 200 | | 2,500 | | 500 | | 500 | | 3,700 | 0 |
| Governance and Security | 7,000 | | 13,000 | | 9,700 | | 10,000 | | 39,700 | 0 |
| Education | 32,000 | | 24,000 | | 32,700 | | 32,100 | | 120,800 | 0 |
| Reproductive, Maternal and Newborn Health | 2,800 | | 2,000 | | 12,700 | | 11,400 | | 28,900 | 0 |
| Malaria | 5,000 | | 100 | | 10,400 | | 10,000 | | 25,500 | 0 |
| HIV/AIDS | | | | | | | | | | 0 |
| Other Health | 16,600 | | 9,000 | | | | | | 25,600 | 0 |
| Water and Sanitation | | | | | | | | | | 0 |
| Poverty, Hunger and Vulnerability | 1,000 | | 10,000 | | 9,000 | | 10,000 | | 30,000 | 0 |
| Humanitarian | | | | | | | | | | 0 |
| General Budget Support | 12,200 | | 20,000 | | 10,000 | | 10,000 | | 52,200 | 0 |
| Global Partnerships | | | | | | | | | | 0 |
| TOTAL | 80,000 | | 87,000 | | 100,000 | | 100,000 | | 367,000 | 0 |

4) Delivery and Resources (continued)

Operating Costs

| | 2010/11 | 2011/12 | 2012/13 | 2013/14 | 2014/15 | Total |
|---------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Frontline staff costs - Pay | 468 | 642 | 1152 | 733 | 769 | 3296 |
| Frontline staff costs - Non Pay | 1025 | 1197 | 615 | 1582 | 1819 | 5213 |
| Administrative Costs - Pay | 220 | 163 | 162 | 159 | 172 | 656 |
| Administrative Costs - Non Pay | 209 | 186 | 186 | 186 | 186 | 744 |
| Total | 1922 | 2188 | 2115 | 2660 | 2946 | 9909 |

NB: Reduced operating costs on the administrative side will reflect office restructuring, office relocation and other changes (including charging security to front line staffing). On the former, reductions in pay costs reflect reduced full time equivalent (FTE) posts. However, a combination of inflation and changes in grading for posts (following restructuring) mean the office has anticipated increases in payroll costs from the administration budget, notably in years 2012/13 and 2014/15. On rent, the absence of an agreed charging regime with the Foreign and Commonwealth Office means DFID Ghana does not have a definite rental cost at present for the new office. When the charging regime has been agreed, this plan will be updated to reflect further savings. On front line staff costs, non-pay costs have been increased on average by 15% per year from 2011/12. This is based on a cautious estimate of housing related costs, where rents in Accra are increasing rapidly, and payment of two years in advance is common. Inflation in Ghana is currently just under 10%, The office will look to make further savings on non-pay front line staff costs, including by reviewing existing housing stock and seeking further efficiencies in joint work with the British High Commission.

4) Delivery and Resources (continued)

Efficiency savings

| Delivering Programme Efficiencies | | |
|-----------------------------------|---|--------------------------------------|
| Category | Details | Residual cost in the SR period £'000 |
| Strategic Reprioritisation | We will not support the Labour Intensive Public Works Programme with the World Bank. We will withdraw from further programming in HIV/AIDS, financial sector reform and broader public service reform, where, for the latter, it has been difficult to see results. | 17,000 |

| Administrative Cost Savings Initiative | 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 |
| Reduction in Training | | 0.5 | | | | | | |
| Reduction in Estates and Property Costs | | | | 1 | | | | |
| Reduction in costs as a result of Office Restructuring | 57 | | | | 14 | | | |
| Other Reductions | | 23 | | | | | | |
| Total | 57 | 23.5 | 0 | 1 | 14 | 0 | 0 | 0 |

NB: There are no further planned reductions in **consultancy and travel**. Both areas were significantly reduced in 2010/11. The office anticipates further savings on **estates and property** as DFID Ghana's housing portfolio changes (increasing use of compounds), the move of the office to the British High Commission, and the move to make the head of the Management Unit locally employed (meaning the office will no longer need to provide housing and other associated costs). However, savings related to the housing portfolio and the move of office in particular are hard to estimate in the absence of an agreed charging regime with the Foreign and Commonwealth Office. When this regime has been agreed the plan will be amended further to reflect additional savings. Savings under '**other reductions**' reflect the move to pay for all security costs from FLS. Further savings will be secured since the British High Commission has contracted out security services from April 2011. Savings noted above do not take account of **inflationary increases**, for instance in staffing costs (which are reflected in the table on page 9). **Further savings** will be identified through a three month review undertaken with the British High Commission and other UK Government departments after February 2011.

5) Delivering Value for Money (VfM)

Ghana has achieved real and substantive development results over the past two decades. Development assistance, including from the UK, has steadily shifted towards General and Sector Budget Support in recognition of good progress, fairly strong institutions and poverty focused investments. However, there has been relatively little consideration of the comparative value for money of different approaches, within and across sectors. As our use of aid instruments changes, DFID Ghana will work to ensure that a robust value for money case underpins each new intervention.

Opportunities

A number of new programmes are in the pipeline or in design. This provides the opportunity to incorporate stronger VfM, based on DFID's project management approach (the Business Case), across more of the portfolio and from an early stage. It will also stretch staff expertise in this area, be demanding of staff time, and involve a range of partners, who the office will encourage to focus on value for money. The challenge will be in finding robust value for money evidence in technical areas such as governance, wealth creation and poverty reduction. Measuring value for money of funding provided through Government systems represents a particular challenge. In particular, budget support, which cannot be attributed to specific inputs or outputs, is difficult to assess in terms of value for money. DFID Ghana will seek to apply best practice in understanding key cost drivers in each of the sectors we're working in, to deliver value for money and real impact. In addition, the office will increase capacity on procurement to secure improved value for money in all contracting arrangements. We will make greater use of advisers for monitoring (especially through bringing in a results and evaluation adviser) and programme development, rather than use consultants.

Actions

- Develop a DFID-Ghana VfM Strategy to be implemented over the next four years.
- Delivered comprehensive and tailored in-house VfM training to all staff, with ongoing follow-up training during the four-year period.
- VfM scrutiny to be undertaken of all draft Business Case proposals, led by Economic advisers (ongoing).
- Strong focus on evaluation of VfM to be rigorously applied to a new Millennium Village project in northern Ghana (ongoing).
- Draw on emerging best practice in programme design. For instance, the Strengthening Transparency Accountability and Responsiveness in Ghana (STAR-Ghana) programme is making early efforts to mainstream value for money, developing an 'economy, efficiency and effectiveness' model to drive future delivery efficiency. We will share this with colleagues in Ghana and beyond to enable improved assessment of value for money and unit costs (ongoing).
- Work with the Government of Ghana, along with other donors, to increase focus on VfM, for instance in procurement operations (ongoing).
- Provide support to the Ministry of Finance and Economic Planning to improve the VfM appraisal of all major public investments (ongoing).
- Provide support to the Ghana Statistical Service, to improve the data underpinning VfM assessments (ongoing).
- Harness DFID 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 (ongoing).
- Increase the evidence-base for VfM analysis through strong baseline monitoring at an early stage for all new projects (ongoing).
- Strengthen in-house procurement capacity to ensure VfM of all contracts issued.
- Improve financial forecasting to better match budget with actual expenditure, contributing to better financial planning and use of funds across UK Government.
- Clarify VfM responsibilities of staff when setting objectives, identify development needs, and prioritise these in the learning and development plan.
- A dedicated results Adviser has been recruited to provide capacity within the office, and to improve VfM estimation and evidence across the portfolio.
- Seek avenues for operational efficiency through shared services with the British High Commission, increased use of remote conferencing facilities, monitoring the costs of skills contracted in, and using in-house expertise where possible.

6) Monitoring and Evaluation

Monitoring

How: DFID Ghana's programmes will be underpinned by a rigorous monitoring framework which will deliver the data needed to track progress of results and of the overall Operational Plan. Data will be collected from various sources, including the Demographic Health Survey, annual multi-donor Ministry of Health and Education progress and budget assessments, Government Management Information Systems and reports, research studies, independent evaluations and project level information systems.

Who: Responsibility for monitoring will primarily rest with project/implementing partners and the Government. Appropriate monitoring arrangements will be written into project agreements. For instance, UNICEF will be responsible for monitoring bednet distribution, whilst outcomes for improved health will come from government statistics. We will work with the Ministry of Education to significantly improve their monitoring of outcomes in the education sector. Government, UN and other national level surveys will also be used. Lead advisers, working with team leaders and the Results and Evaluation Manager, will be responsible within DFID Ghana for ensuring the office drives forward effective monitoring and subsequent follow up.

When: Regular and appropriate monitoring arrangements will continue to be written into all agreements with all implementing partners and Government. We will aim for quarterly reporting as the norm. Annual Reviews will be used to assess progress against outputs, and how these are contributing to the achievement of outcomes. The office results framework will be reviewed at least every six months, and the Operational Plan reviewed, and if necessary, refreshed, annually. Quarterly portfolio review meetings as part of DFID Ghana's Programme and Policy Group, will be used as a challenge function, to ensure continuous improvement in programme quality.

What: Using best practice methodologies, DFID Ghana will ensure the office has rigorous qualitative and quantitative information to inform programme management and future programme design and delivery. The emphasis will be on impact, ensuring DFID Ghana clearly understands and can communicate the impact of programmes, and can seek and make adjustments to programme design through the life of the programme to enhance success and challenge poor performance.

Evaluation

An overarching evaluation plan will be published by July 2012 to help teams decide which programmes or aspects of programmes and projects to evaluate, taking into account our partners' preparedness and capacity gaps that need to be addressed. There are currently two independent impact evaluations underway: one of the Millennium Village and one of the Government of Ghana's cash transfer programme (LEAP). In developing our plan we will focus on priority, novel or contentious areas, and will seek to have a particular emphasis on gender where appropriate. We will focus future evaluation on: oil and gas; reproductive health of adolescents; provision of complementary basic education to out of school children; and to market development in the north. We aim to have at least 25% of our annual budget subject to independent evaluation.

Building capacity of partners

DFID Ghana is supporting the Government of Ghana's statistical reform process. The office has seconded a statistical adviser to the World Bank, who is working with the Ghana Statistical Service to develop a demand driven, sustainable and professional National Statistics System to increase the quality, accessibility, timeliness and relevance of official statistics for poverty reduction. The secondee has been successful in driving increasingly robust donor-Government discussions on monitoring and evaluation. In addition, in health we will continue to provide technical assistance to the annual review of the health sector to improve capacity of government partners. In education, we are active in our support for improvements to the Government's Education Management Information System. We're also working with the Ministry of Social Welfare to enhance management information around the Government of Ghana's cash transfer programme (LEAP). In Public Financial Management we are one of four key partners supporting the introduction of a major government-wide financial management system, and we are working with the Ministry of Finance and Economic Planning to build their capacity for investment appraisal and monitoring of new public investment, including public private partnerships.

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 all spend above £500. We will continue to ensure that information is accessible, comparable, accurate, timely and in a common standard with other donors and that we provide opportunities for those directly affected by our projects to provide feedback.

DFID Ghana will implement a number of measures to ensure we deliver the UK Aid Transparency Guarantee. In particular, we will:

- 1) Ensure the information DFID Ghana publishes is easily understood, by:**
 - ensuring information is accurate, of high quality, and in plain English
 - employing good information management practices within the office so that project and programme information can be easily understood by members of the public accessing the projects database.
 - making communications materials accessible in the reception area of our office and on websites/new media channels. All new UK aid supported programmes will be announced via a press release and added to the website as a minimum.
 - publishing the Operational Plan on the DFID and the UK in Ghana websites. This will ensure the public are able to understand our work and what results we aim to achieve. It will only be published in English, rather than any of the nine official local languages, as none of the local languages are spoken by a majority of the population.
- 2) Promote transparency in Ghana more widely, by:**
 - working with Civil Society to help them become better engaged in policy formulation, implementation and monitoring (through STAR Ghana).
 - building a climate of disclosure of information by public institutions in Ghana. This will include working with the Government of Ghana to improve the usefulness to the public of information in the budget and to increase its availability.
 - continuing to work with our partners to encourage them to be more transparent in accounting to their constituencies on their decisions, results and use of resources.
 - requiring implementing partners to include in their proposals a demonstration of how they will promote transparency and collect feedback from beneficiaries.
 - supporting key Government of Ghana and anti-corruption organisations involved in ensuring transparency in information on what oil companies are producing, what the Government of Ghana is receiving and how oil revenues are spent.
 - continuing to be supportive of the Ministry of Finance and Economic Planning's intention to deploy an interactive information system for aid management to enhance coordination and accountability.

Annex: Results Progress

Progress towards headline results – one year on¹

| Pillar/ Strategic Priority | Indicator | Baseline (including year) | Progress towards results (including year) | Expected Results (including year) |
|----------------------------------|--|---------------------------------|---|--|
| Wealth creation | Number of producers accessing business services through DFID support | 0 (2011/12) | The Business Case is currently undergoing approval stage with implementation on track to commence by end 2012. | 50,000 by 2015, of whom 7,500 are women |
| Health | Additional family planning method users ² | 0 (2010) | 291,400 additional women using family planning in 2011/12 which represents steady progress towards the 2015 target. | Up to 608,000 by 2015 |
| Health | Number of bednets distributed with DFID support to help prevent malaria | 0 (2010) | 2.35 million bednets distributed in 2011/12 which is almost half of the 2015 target already delivered. | 4.75 million by 2015 |
| Poverty | Number of people receiving DFID-supported cash transfers | 0 (2010) | Implementation of the project commenced in May 2012; on track to deliver against the 2015 target. | 100,000, of whom 60,000 are girls or women by 2015 |
| Education | Number of girls and boys supported by DFID in basic education | 0 (2010) | 131,900 children supported in basic education in 2010/11. | 140,000 more, of whom 64,000 are girls, by 2015 |
| Education | Number of girls receiving targeted incentives to attend secondary school | 0 (2010) | The Business Case is currently undergoing approval stage with implementation on track to commence by end 2012. | 60,000 by 2015 |
| Governance | Number of people voting in Ghana's national election | 8,671,272 (2008) | Election is due in 2012/13. Programme to support democracy is live and being implemented. | 9,443,700 people vote in 2012 election |

¹ These results may not directly aggregate with other country results due to different measurement methodologies

² An estimate of the number of additional users of family planning supported by DFID Ghana was calculated using a Couple Years Protection methodology from DFID Ghana's procurement of contraceptives. The projected result will be re-visited over the course of this year to respond to reproductive health programme priority changes and is likely to be reduced – the revised figure will be included in the next update of the DFID Ghana Operational Plan in 2013