

A photograph of two women in traditional Indian attire. They are carrying large, round, reddish-brown clay pots balanced on their heads. The woman on the left is wearing a yellow and purple patterned top and a purple sari. The woman on the right is wearing a brown patterned top and a brown sari. They are walking outdoors, and the background is a bright, hazy sky. The text 'Chapter 6' is overlaid in a white box on the left side of the image.

Chapter 6

How we are organised to deliver

Giving force to our Mission - the new Public Service Agreement	113
Sharing knowledge and learning lessons	114
Staffing, organisation and management	116
Progress against the Modernising Government agenda	118
Health and safety	121
Managing DFID's environmental impact	121
Overseas pensions	122

6

How we are organised to deliver

Good business planning is not about filling in forms, producing glossy documents or creating a planning industry. It is about deciding what results you want and making sure everyone in your organisation is focused on delivering those results

Your Delivery Strategy Guidance to Departments (p4)

- 6.1** During the last year DFID has initiated a programme of organisational and management change that will enhance the way we carry out our business. The programme, “Going from Strength to Strength” (Box 6.a), recognises that we have to ensure a tighter fit between our mission, structures, systems and staff in order to deliver on our highly challenging objectives.

Box 6.a - “Going from Strength to Strength”

‘Strength to Strength’ sets out a comprehensive departmental change programme to enhance DFID’s effectiveness. It is focused on ensuring DFID is organised and managed in ways that best meet our business needs and so work towards achievement of the Millennium Development Goals.

The new management agenda:

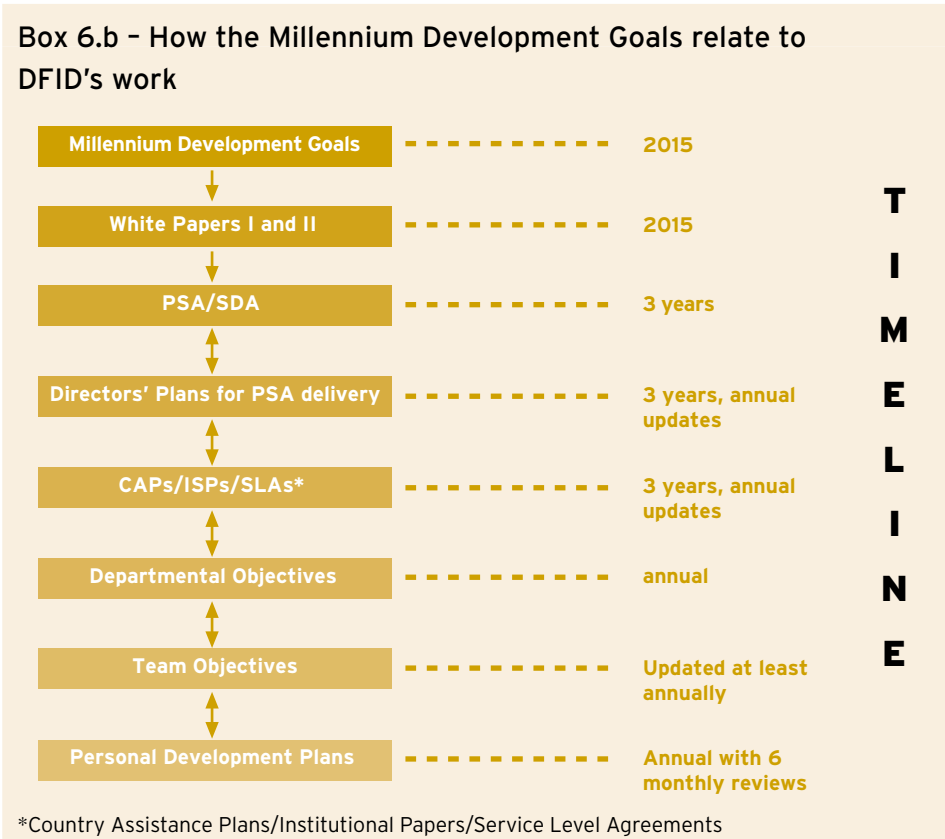
- Take forward our mission through the new Public Service and Service Delivery Agreements
- Be proactive in managing our performance
- Ensure our rules and procedures work for us and not against us
- Prioritise and focus on our strengths
- Extend partnership working to improve effectiveness of aid
- Better lesson learning and knowledge sharing including with our partners
- Clear organisational structure
- Workable and transparent governance structures and systems that ensure decisions are taken at the right level, lessons are learned and transaction costs lowered
- More strategic use of financial resources
- Be a valued UK government department with a diverse workforce
- Ensure we attract the right staff, and encourage and support them to work effectively

- Make good use of flexible working
- Ensure we have good systems for improved communication and knowledge sharing

Giving force to our mission - the new Public Service Agreement

6.2 DFID has a clear mission – the elimination of poverty in poorer countries through achievement of the Millennium Development Goals. Over the last year we have developed our corporate management and reporting systems to strengthen our focus on delivery. The changes were informed by the National Audit Office review (81) of DFID’s performance management systems (see Chapter 1). They included ensuring our 2003–06 Public Service Agreement (PSA – Annex 3) is directly aligned to our mission and maps onto the organisational structure. Individual Directors have been given responsibility for PSA targets and objectives providing for direct accountability for delivery. Directors have produced Divisional Plans in which they set out how they will use their resources to deliver their objectives and how they will delegate responsibility through their Divisions to assist them in this. DFID’s Management Board reviews these Plans annually.

6.3 The Directors’ Plans have been translated into departmental plans, which are then cascaded down into team and individuals’ annual work plans. In this way DFID has sought to ensure that everyone in the organisation has a clear line of sight from their individual personal objectives and forward work programmes up to delivery of the Millennium Development Goals (Box 6.b).



- 6.4** To embed this new system throughout the Department we undertook a DFID-wide launch of the PSA. This included a video of a 'Question-Time' panel taking direct questions from DFID staff on what the PSA means to them; interactive discussions between members of the Management Board and staff in both our UK headquarters sites linking in a number of overseas offices to join the debate by satellite; and production of a package of accessible reference support materials.
- 6.5** The clearer focus of our performance management system on our mission has assisted with prioritisation, whilst at the same time retaining the flexibility to enable Directors to respond to emerging needs and changing circumstances.

Sharing knowledge and learning lessons

- 6.6** DFID's work is spread over 65 locations. The overall impact of our work is closely linked to how we share knowledge and expertise among our staff and partners, and learn lessons from our experience. DFID introduced a new staff competency framework in 2002/03 to develop staff skills, including in managing knowledge and information. We also created a new Director of Information post to bring focus and coherence to knowledge-sharing and lesson-learning across DFID, and develop first-rate IT systems to support this.
- 6.7** DFID made progress in developing our intranet as a high-quality information resource for staff. Communication links with 23 of our overseas offices have been improved which allow good access to the intranet, including webcasts, that are proving to be a popular and effective way of rapidly communicating key messages. 98% of DFID staff now have on-line access to the intranet. There has been a rapid increase in the demand for use of our video conferencing facility. A new remote working system was introduced



The Permanent Secretary Suma Chakrabarti launches DFID's 2003-06 PSA in our East Kilbride headquarters and, via satellite link-up, to some of our overseas' offices.

in August 2002 with improved facilities for home-working which will allow access to all DFID systems in coming months.

- 6.8** DFID began a major review to develop an e-Business Strategy in 2002/03. This aims to use the benefits of modern technology to streamline our administrative processes and to consolidate a number of important information system developments. These are at various stages of development and include:
- our programme of electronic document and records management (QUEST – Box 6.c);
 - the Activities, Reporting and Information e-System (ARIES), which will enable us to produce better management information more easily and rapidly; and
 - the Performance Reporting Information System for Management (PRISM).
- 6.9** A review of DFID's information systems security was also undertaken in conjunction with the Foreign and Commonwealth Office to consider access to secure systems overseas. DFID's Knowledge and Communications Committee are considering the recommendations. A recent benchmarking study of DFID's information systems by Cranfield Management School and a related knowledge sharing study with the World Bank and British Council will help inform our future strategies for knowledge and systems management.

Box 6.c - QUEST

The QUEST Programme will aim to improve DFID's ability to make efficient and effective use of its knowledge and resources by managing its documents and records electronically. The new facilities will provide an opportunity for IT enabled business change by allowing staff to work on and retrieve documents and records held across the organisation on a corporate electronic system. QUEST will make it much easier to share information with external partners, other donors and members of the public; as well as help DFID meet its statutory requirements under the Freedom of Information and Data Protection legislation. Another benefit of less paper filing will be to save storage space.

- 6.10** In our continued drive to become more effective as an organisation, DFID has renewed its emphasis on staff management and performance. We are in the process of re-organising aspects of our Human Resources function to help ensure that the Department has quality, skilled staff to enable DFID to meet our objectives. Measures include:
- improved arrangements for staffing forecasts from all parts of the Department;
 - the introduction of new posting and promotion arrangements geared to corporate priorities;
 - a new performance management system;

- the introduction in 2003 of a new, integrated, HR database and payroll system; and
- the benchmarking of a wide spectrum of HR functions to evaluate the quality, relevance and efficiency of our HR services against those in relevant external organisations and to provide information to help us improve our performance.

Staffing, organisation and management

6.11 DFID has two headquarters, located in London and East Kilbride, and some 36 country and regional offices located overseas. The total number of staff employed by the Department in December 2002, including UK-based staff working in headquarters and overseas and locally appointed staff working in our overseas offices, was 2807 (Box 6.d).

Box 6d - Numbers of DFID staff by location and gender, Dec 2002		
	Female	Male
Home Civil Service staff in London office	404	491
Home Civil Service staff in East Kilbride office	313	225
Staff appointed in UK on fixed-term contracts for development assistance projects	39	21
DFID staff in UK	756	737
Home Civil Service staff based in overseas offices	95	146
Staff appointed in country by overseas offices	501	373
Staff appointed overseas on fixed term contracts for development assistance projects	63	136
DFID staff overseas	659	655
Total	1415	1392

6.12 The ethnicity and gender representation in DFID of UK-based staff on the payroll as of December 2002 is shown in Box 6.e. There are currently 25 UK-based staff who have declared they have a condition which may amount to a disability within the meaning of the Disability Discrimination Act 1995.

Box 6e - Results of diversity monitoring for DFID UK-appointed staff (NOTE: Ethnicity details are based on returns where ethnicity was declared), Dec 2002				
	Female %	Male %	White %	Ethnic Minority %
Senior Civil Service	19%	81%	74%	6%
Band A1	23%	77%	79%	7%
Band A2	40%	60%	81%	6%
Band A3	53%	47%	75%	10%
Band B1	41%	59%	72%	10%
Band B2	53%	47%	76%	12%
Band C1	68%	32%	71%	16%
Band C2	58%	42%	73%	9%
Band B1(D)	56%	44%	69%	11%

6.13 The numbers and levels of remuneration of the Department's permanent Home Civil Service staff in London, East Kilbride and overseas offices are shown in Box 6.f. Pay ranges and grade structures for staff appointed in UK and overseas on fixed-term contracts, plus Staff Appointed in Country overseas, cannot be readily produced in summary form.

Box 6.f - Staff salaries for DFID permanent Home Civil Service staff in UK and overseas offices			
Grade	Salary range	Female	Male
Senior Civil Service	£51,250 - £184,500	12	50
Band A1	£39,018 - £59,105	37	125
Band A2	£33,078 - £48,783	123	185
Band A3	£25,250 - £34,340	63	55
Band B1	£19,695 - £28,280	90	128
Band B2	£15,655 - £23,230	154	135
Band C1	£12,625 - £19,190	234	110
Band C2	£10,100 - £16,160	60	43
Band B1(D)	£18,231 - £32,825	39	31

6.14 The Department's recruitment practices conform to the requirements of the Civil Service Commissioner's Code. DFID made 5 permitted exceptions to fair and open competition in 2002/03. Two of these were for fixed-term Home Civil Service appointments where specialised skills and experience were required. A further two were for fixed-term Home Civil Service appointments where continuity was essential and the individuals were uniquely qualified. The remaining permitted exception was for a Home Civil Service appointment for a re-appointed civil servant. The numbers of UK based appointments filled in 2002/03 are set out in Box 6.g.

Box 6.g - Permanent UK-based appointments filled in 2002/03			
Grade	Total	Female	Ethnic Minorities
Senior Civil Service	2	1	0
Band A1	17	2	1
Band A2	53	17	2
Band A3	20	15	4
Band B1	12	6	1
Band B2	16	10	1
Band C1	15	10	5
Band C2	18	12	0
Band B1(D)	15	6	2
Total	168	79	16
% of total	100%	47%	10%

6.15 DFID's Ministerial and Parliamentary Team is shown in Box 6.h. An organisational chart for DFID is available at Annex 5. In May 2002, Sally Keeble MP was appointed as DFID's Parliamentary Under Secretary of State in succession to Hilary Benn MP.

Box 6.h - DFID's Ministerial and Parliamentary team



Baroness Amos
Secretary of State for
International Development.



Sally Keeble MP
Parliamentary Under Secretary
of State.

Progress against the Modernising Government agenda

- 6.16** Our staff are our most valued resource and we are committed to supporting them. DFID is an accredited Investor in People (IiP) and is due to be re-assessed in September 2003. Since receiving the award in December 2000, DFID has, in addition to maintaining good practice, introduced improved processes for induction and management of staff (including managing and benefiting from the inherent diversity within the Department) and evaluating the training and development of DFID staff. A series of reviews of individual departments, both in the UK and overseas, have been held to monitor DFID's continuing performance against the IiP indicators. The results have provided information about areas for further improvement.
- 6.17** In the last year DFID has undertaken a diversity audit covering a number of areas within our management and human resources function. Some recommendations from the audit have already been implemented and others are being progressed on a longer-term basis. For example, we have improved information for staff on working practices by issuing booklets on flexible and remote working, and support for staff with disabilities. Other priorities include completion of an equal pay audit, the production of an annual report on diversity focusing on statistics, trends and best practice, and recruitment of a full-time diversity adviser. These recommendations have been subsumed into an ongoing diversity action plan, which is considered regularly by senior management.
- 6.18** DFID continued to offer diversity training and Management Development Programmes in 2002/03 – about 1800 staff have attended these courses. We will shortly be evaluating the impact of the Management Programme on the work of the department and the results will be published. DFID also launched a programme on challenging and harnessing performance, the aim of which is to equip managers with the necessary skills to optimise staff performance. A new performance management system was introduced in May 2002. This enables all staff below Senior Civil Service level to be assessed against clear and agreed objectives, core behaviours and corporate values designed to

enhance skills and knowledge. The new system will be monitored in the course of 2003 to ensure all staff are being treated fairly, and for continuous improvement. A set of five departmental values was agreed in October 2001 (Box 6.i). Work to embed those values into DFID processes and procedures continues.

Box 6.i - DFID core values

In DFID we value:

- our ambition and determination to eliminate poverty
- our ability to work effectively with others
- our desire to listen, learn and be creative
- our staff, their diversity and their need to balance work and private life
- our professionalism and knowledge

- 6.19** An on-going programme to help enhance performance for Band A1 staff using feedback from peers, junior and senior staff was reviewed in November 2002 by the Department's Management Board Committee on Human Resources. The outcomes will help us to improve future management development. The programme is being extended to include the Senior Civil Service and all Band A staff, and will ultimately cover all managers.
- 6.20** For the third year running, DFID supported the Windsor Fellowship, a scheme aimed at talented Black and Asian undergraduates. In 2002/03 we sponsored two Fellows under the scheme. We have also continued our link with the National Mentoring Consortium to offer mentoring to undergraduates from a range of universities.
- 6.21** DFID took part in the Cabinet Office Summer Development Programme for the first time in 2002/03 and successfully placed 3 candidates. This initiative provides experience in government departments during the summer vacation for potential applicants to the Fast Stream from within ethnic minority communities. The purpose of the placements is generally to expose candidates to the way the civil service works – the challenges, the constraints, the variety of tasks – as well as gain an insight into the work of DFID.
- 6.22** DFID operates an equal opportunities policy in all aspects of its recruitment and employment practices. Processes are monitored by gender, ethnic origin and disability. During 2002/03 there was one equal opportunities complaint which remained unresolved by March 2003.
- 6.23** We are in the process of developing the framework for a new junior professional scheme, which will operate initially alongside the administrative and Economist and Statistician Fast Stream schemes. Our target is to have proposals ready to present to the Human Resources Committee by summer 2003. Proposals are being considered for a more strategic

approach to staff interchange and secondment. Implementation of these arrangements will depend on the establishment, later this year, of a small interchange unit within DFID's Human Resources Department. Over the last year, we have introduced a more open recruitment process which has included involving junior staff on promotion boards and outside professionals for top management appointments.

- 6.24** DFID's HIV/AIDS Employment Policy was enhanced in late 2002 by producing for all our staff booklets that aim to raise awareness of the main health and employment issues around HIV/AIDS. These booklets were developed in consultation with the Foreign and Commonwealth Office and the British Council.
- 6.25** In May 2002, DFID published a Race Equality Scheme outlining our general responsibilities as an employer under the Race Relations Amendment Act 2000 and detailing our plans to comply with the legal obligations it places on us. The Act aims to raise standards in public service and requires us to monitor a significant range of Human Resources processes by ethnicity (including recruitment, postings, promotions, training, leavers, and the grievance and disciplinary procedures), to ensure that our policies and practices allow fair treatment of our staff and customers. The Race Equality Scheme highlights every member of staff's individual responsibility to promote equality of opportunity and good race relations, and coverage is now included in all core training courses. The Scheme also outlines how our three main service Departments (Procurement, Information and Civil Society, and Overseas Pensions) plan to monitor and assess relevant policies to ensure they allow fair and open access to the UK public.
- 6.26** Since May 2002, DFID has been developing systems to collect all of the required data on diversity monitoring and enable meaningful analysis. We hope to publish the results of our monitoring in an Annual Report to our Management Board by the end of 2003.
- 6.27** DFID's Policy Division has been extensively re-organised in the last year, following a 12-month consultation process with staff across the Department. A key aim of the new Policy Division is to be more responsive to DFID's business needs including ensuring better prioritisation within the wider policy agenda. Full details of the new Division will be given in next year's Departmental Report.
- 6.28** Our new 6-member Management Board comprises:
- the Permanent Secretary: Suma Chakrabarti (who is Chair);
 - three Directors-General: Nicola Brewer (appointed in 2002 through open competition, who is also DFID's Diversity Champion), Masood Ahmed, former Deputy-Director at the IMF and Mark Lowcock (both appointed in 2003, again through open competition); and
 - two non-executive Directors: Nemat Shafik and Bill Griffiths (also selected in 2002 by open competition from outside DFID).

6.29 Committees for Human Resources, Knowledge and Communications, Development Policy and Finance and Audit support the Management Board. The new structure has helped to sharpen the Board's focus on strategic issues including the direction of the Department and accountability for organisational performance. Staff are given the opportunity to observe Board meetings to improve their understanding of DFID.

Health and safety

6.30 DFID has a comprehensive health and safety policy in place which is implemented in active partnership with the trade unions. No problems of any significance were reported in 2002/03. We also have in place an active and on-going programme of risk assessments and inspections.

Managing DFID's environmental impact

6.31 DFID has continued to look at ways to minimise the environmental impact of our offices in 2002/03. With the move to a new London Office, there is no longer any staff car parking. The office has switched to the GCS Green Cab service for official taxi bookings, and uses Liquid Petroleum Gas vehicles for the three Ministerial and Senior Official vehicles. Enhanced monitoring procedures have been put in place to measure energy and water use and enable new benchmarks to be set. We switched electricity suppliers in July 2002, with the new contract providing 10% 'green' electricity, and we continue to use a waste disposal company who sort on receipt and recycle approximately 90%. Surplus obsolete computer equipment has been donated to Computer Aid for reuse in developing countries.

6.32 Extension and refurbishment of our East Kilbride office commenced during 2002, and as with the new London office a number of 'green' features and good practices were incorporated in the works. Surplus obsolete furniture was offered to people who could make use of it, thus minimising disposal to landfill. The office has joined the Watermark project to check water usage and examine ways of reducing it. In the autumn, we engaged new waste contractors who recycle a higher proportion of waste than their predecessors. In addition, initial studies have begun on the feasibility of installing a wind turbine on the site.

6.33 Work on the development of an Environmental Management System continued throughout 2002/03, and will be extended to include DFID's overseas offices. We have continued to raise staff awareness of 'green' issues through the dedicated staff intranet site and local in-office publicity. DFID's response to the Government initiative "Framework for Sustainable Development on the Government Estate" is published on our website, along with other environmental information.

Overseas pensions

- 6.34** DFID's Overseas Pensions Department is responsible for the calculation and payment of colonial service and dependants' pensions. During 2001/02, some 52,000 pensions and supplements were paid to about 14,000 service pensioners and 10,000 dependants. Over 226,000 individual payments were made, to a total value of £126 million. Overseas Pensions Department again exceeded all of the targets set for 2001/02 in its Service Level Agreement. Although the unit costs per pensioner and per pension increased by 0.87% and 1% to £44.20 and £20.67 respectively, they remained below the targets set for 2001/02 of £44.38 and £20.72 respectively.
- 6.35** Overseas Pensions Department received a total of 35 complaints during 2001/02, of which 6 were deemed valid by our Complaints officer. The others were mainly to do with delays in the postal system. No cases were submitted to the Parliamentary Ombudsman. All new customers are sent a customer service questionnaire six months after their first payment. 421 forms were issued in 2001/02, of which 276 (66%) were returned. For the third year running, 99% of those who responded rated DFID's performance on overseas pensions as either "very good" or "good". Box 6.j summarises DFID's performance against pensions service standards in 2001/02.

Box 6.j - Performance against pension service standards		
Standard, 2001/02	Target %	Achieved %
Accuracy of initial calculation of new and revised awards	95.00	95.83
Accuracy of initial payment calculation	97.50	99.95
Number of new awards put into payment within two weeks	97.50	99.90
Timeliness of payments by the due date	99.00	99.99
Response to enquiries within two weeks of receipt	97.50	99.96
Initial response to complaints within two weeks, and a more detailed reply, if one is needed, within five weeks	95.00	100.00