

Section 3

TERMS OF REFERENCE

Strengthening Government Capability for Delivery in Punjab

Introduction

The Department for International Development (DFID) leads the UK government's effort to promote stability and sustainable development and to end extreme poverty and aid dependency through growth and jobs.

The support to the Special Monitoring Unit to be delivered under this Terms of Reference is a sub-component of the Sub-National Governance Programme in Pakistan. This sub-component is an eighteen months programme with a total value of up to £1.5 million. The Sub-National Governance Programme seeks to improve service delivery in Pakistan by improving government effectiveness and efficiency (see Annex B).

The Supplier will manage and implement a programme of support to the Special Monitoring Unit. This will be a high profile role, requiring a unique and high quality skillset, and in particular, experience working at the top of government to implement reforms against tight timeframes across a range of sectors.

Objective

The objective for DFID's support to the Special Monitoring Unit is to ensure that reforms to governance and service delivery in Punjab being undertaken through a roadmap and a delivery unit approach move towards irreversibility. To achieve this, the Supplier will be required to undertake the following:

- a. **Continued and increased support** to the SMU, that embeds an approach to government service delivery based upon data and a high-level of accountability and transparency with a view to SMU taking on responsibility for new roadmaps¹. At present there are existing roadmaps in health and education technically supported by external Suppliers. The SMU is also implementing roadmaps in clean drinking water and sanitation.
- b. Improved coordination between the SMU, DFID, Government Department and other organisation to ensure the **transfer of knowledge and skills** to the relevant Government departments, making the roadmap approach irreversible.
- c. **On-going coordination** to ensure the delivery of key development results in priority sectors prior to 2018.

¹ The Government of Punjab is aware that in some sectors, such as rule of law, the role of the SMU may not be one of leadership, but more mentorship in the roadmap development process.

The recipient

The primary recipient of this support will be the Government of Punjab, in particular the SMU within the Chief Minister's Secretariat. The Supplier is responsible for identifying any tax obligations – UK or otherwise – that must then be accounted for within the overall budget.

Scope

The Supplier will work with the Government of Punjab to manage and implement a programme of support to the Special Monitoring Unit for a period of up to eighteen months.

The requirements

The areas of engagement will require different modes of support from direct technical support and short term gap filling with the SMU, to coaching, mentoring and training on managing government implementation.

Continued and increased support to the SMU: this will require specialised and knowledgeable technical advice from a team that demonstrates significant knowledge and capability in creating and managing delivery units, driving the implementation of Government policy, and working at a political level. This support should align to the key SMU objectives (see box 2 below), with the ultimate objective that by the end of the programme of support the SMU should be able to function as a self-standing and sustainable department in government, requiring minimal external assistance.

The external assistance to the SMU will be required for a period of up to eighteen months, as set out above, in the following areas:

- Coaching and Mentoring the Head of the Special Monitoring Unit
- Training the SMU team
- Facilitating Stocktakes
- Setting Standard Practices and Procedures
- Designing and Establishing Key Routines
- Bridging any gaps related to human capital

Exit strategy: by 2018 the SMU should be able to function as a self-sufficient delivery unit, capable of holding departments to account for the implementation of sector roadmaps. The existing short term Supplier will handover this work to the Supplier after a competitive process. The Supplier will be expected to demonstrate that the SMU and wider Government of Punjab's capacities are enhanced in the following areas:

- The principles of delivery and structure of the SMU;
- Data management and analysis;
- Problem solving and the delivery approach;

- Managing engagement with the Chief Minister, ministers and other senior Government of Punjab officials.

Transfer of knowledge and skills: this will require the Government (through the SMU and Government departments) and DFID working together within the education and health sectors to strengthen and deepen the transfer of skills and knowledge to the relevant departments. The final outcome of this work, done in line with the capacity development of the SMU, will be departmental teams fully capable of implementing roadmap reforms independently of large scale external assistance. It is expected that by June 2016 a set of transition plans for capacity development of the relevant departments would be prepared through a process led by DFID Pakistan and the SMU. These will be monitored on a quarterly basis and will form the basis of a longer term transition to government leadership.

The Supplier will work with DFID to enable a knowledge transfer between DFID programmes and government departments. The Supplier should identify how they will play a mentoring role in this regard, building on high level engagements through key stocktakes.

On-going coordination: between the SMU, DFID, the CM's Secretariat and the technical assistance teams to ensure that on-going communication and collaboration is taking place. This should enable a continuous transfer of skills and knowledge, and the resolution of potential blockages to the effective implementation of the Government's programme of work.

Specifically the Supplier will be expected to facilitate the establishment of a SMU monitoring and management systems in place including routine coordination mechanisms.

Key outputs

The following outputs are expected from the contract:

- Suppliers should incorporate indicators that test the following:
 - % stakeholders feel SMU apply the delivery approach to consistent high standard and add value to departments' delivery efforts
 - % stakeholders feel SMU team are now running delivery routines effectively with minimal external assistance
 - % stakeholders feel SMU team more actively lead the roadmaps with less external support
- Progress against key indicators in existing (with the exception of education and primary health care) and newly established roadmaps². These might cover:
 - Doctor and specialist availability (critical positions filled)

² It is expected that the on-going 6 month bridging contract will lay the foundations for these roadmaps. During the transition between contracts (and the inception phase of this contract), it is expected that the Supplier would adjust their approach and focus to complement and support on-going work being carried out by the SMU.

- Emergency cases handled (by hospital)
 - Rural population served with clean drinking water
 - Urban population served with clean drinking water
 - Collection efficiency by 7 large city and 2nd tier cities
 - Open dumping at tehsils
 - Revenue from tax collection
- This will be a payment by results contract, with an initial set of key performance criteria identified by the Supplier during the bidding process, and further refined and agreed with the Government of Punjab and DFID.

Draft modality and milestones for performance-based payment for the implementation phase must be submitted within the commercial proposal, with suggested key performance indicators where appropriate closely linked to the outcomes required by the programme. The proposal will include a hybrid approach to performance-based payment with clear rationale on the performance-based payment approach proposed for each part of the scope. This should be linked to the financial plan.

Furthermore the Supplier will be required to submit financial forecast of expenditure (the budget) disaggregated monthly for the contract period. Invoices submitted to DFID and their values, monthly progress and financial reports, external audit reports on the annual financial statements, and mandatory financial reports (including input costs) according to a format to be agreed with DFID during the first three months of the contract.

Reporting

The technical assistance to the SMU will be coordinated as part of a wider capacity development approach between the Government of Punjab and DFID. Specifically, there will be:

- Coordination meetings between the CM's Secretariat, SMU, DFID, and key technical assistance teams to evaluate progress in skills transfer;
- A monthly scorecard report on the inputs and achievements of the external assistance supporting the SMU to be reviewed jointly by DFID and the SMU Head;
- Clearly established communication channels and/or approval processes will be established within the first month;
- A mid-term and end of contract report including 360 degree feedback on the outputs;
- The Supplier will produce an end of project narrative report within a month after the end of the project. This report should confirm the results achieved, value for money, success of the programme in delivering outputs, lessons learnt and challenges encountered to ensure a smooth transition and exit plan.

The Supplier will provide information disclosure and full support to consultants and/or auditors that might be employed directly by DFID to undertake an evaluation and/or audit of the project.

Inputs and Timing

The engagement is expected to run for eighteen months. The Supplier is anticipated

to mobilise in November 2016 therefore this contract will end in May 2018. DFID reserve the ability to either scale-up or scale-down the services being delivered at any time, and reserve the right to extend this contract by up to a further six months following DFID's consideration of the Value for Money demonstrated to date. There will be three weeks inception phase to refine and agree the output indicators for the period of the contract.

There will be a break point nine months into the contract where DFID Pakistan, with the Government of Punjab, will review progress on the contract with the possibility of termination of the contract if performance is not satisfactory. DFID Pakistan and the Supplier will also identify a period, three to six months prior to the 2018 election, where the Supplier will carefully consider their activities in light of their perceived impact on the electoral process.

DFID Coordination

This support will be coordinated by DFID Pakistan through the DFID Team in Lahore.

Performance requirements

This will be a payment by results contract, with an initial set of key performance criteria identified by Supplier during the bidding process, and further refined and agreed between the Government of Punjab and DFID during the negotiation phase. There will be quarterly reviews of progress.

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Furthermore the Supplier will be required to submit financial forecast of expenditure (the budget) disaggregated monthly for the contract period. Invoices submitted to DFID and their values, quarterly progress and financial reports, external audit reports on the annual financial statements, and mandatory financial reports (including input costs) according to a format to be agreed with DFID during the first three months of the contract. This information will enable DFID and the Supplier to report on value for money and maximise it where possible. The Supplier must demonstrate that its technical and commercial capacity will deliver value for money in providing these services.

Duty of care

The Supplier is responsible for the safety and well-being of their Personnel and Third Parties affected by their activities under this contract, including appropriate security arrangements. They will also be responsible for the provision of suitable

security arrangements for their domestic and business property. Further information for the expected DoC requirements are provided below and see the attached Annex A.

DFID will share available information with the Supplier on security status and developments in-country where appropriate. DFID will provide the following:

- All Supplier Personnel will be offered a security briefing by the British High Commission/DFID on arrival. All such Personnel must register with their respective Embassies to ensure that they are included in emergency procedures.
- A copy of the DFID visitor notes (and a further copy each time these are updated), which the Supplier may use to brief their Personnel on arrival.

The Supplier is responsible for ensuring appropriate safety and security briefings for all of their Personnel working under this contract and ensuring that their Personnel register and receive briefing as outlined above. Travel advice is also available on the FCO website and the Supplier must ensure they (and their Personnel) are up to date with the latest position.

The procurement will require the supplier to operate in conflict-affected areas and parts of Pakistan are highly insecure. Travel to many zones within the regions may be subject to obtaining No Objection Certificates from the Ministry of Foreign Affairs in advance. The security situation is volatile and subject to change at short notice. The supplier should be comfortable working in such an environment and should be capable of deploying to any areas required within the regions in order to deliver the contract (subject to NoC being granted and security advice).

Tenderers must develop their Duty of Care Response and Tender on the basis of being fully responsible for Duty of Care in line with the details provided above and the initial risk assessment matrix prepared by DFID (see Annex 1 of this ToR). They must confirm in their Response that:

- They fully accept responsibility for Security and Duty of Care.
- They understand the potential risks and have the knowledge and experience to develop an effective risk plan.
- They have the capability to manage their Duty of Care responsibilities throughout the life of the contract.

If you are unwilling or unable to accept responsibility for Security and Duty of Care as detailed above, your response will be viewed as non-compliant and excluded from further evaluation.

Responses to the Duty of Care questions will be reviewed on a *pass or fail* basis. Failure will result in the work not being considered for technical evaluation. DFID may ask for further information and clarification on the DoC proposal where required.

Media, Communications and Branding

Transparency, value for money, and results are top priorities for the UK Government. DFID has a duty to show UK taxpayers where their money is being spent, its impact, and the results achieved.

All announcements/information given to the media by the Supplier must be pre-agreed with the Senior Responsible Officer of the programme and the British High Commission's communications team; there must be 'no surprises'.

The Supplier is required to:

- work with the British High Commission communications team to 'launch' the new project/programme, agreeing timescales, tactics (press notice, event, etc.), and messages.
- give appropriate recognition to the provision of funding by DFID Pakistan in any other press notices or other contact with the media (including broadcast interviews and web-based media). The timing of any announcement and nature of such recognition must be agreed in advance with the British High Commission's communications team.
- Provide DFID Pakistan with a range of professional quality photography (containing UK aid branding), and video if possible, which demonstrate results and benefits to recipients.
- Provide DFID Pakistan with at least one case study suitable for media use (frequency to be agreed later) which shows results and benefits to recipients.
- Work with and enable the British High Commission's communication team to develop media and communications plans to build support and proactively raise awareness of the results of the project, where feasible and appropriate, both in the UK and overseas.

DFID will have full rights to use all media materials provided on its website, in newsletters and publications, and in other public places. DFID has the right to veto any media or communications activity proposed by the Supplier.

'DFID', 'UK aid', or variants of, must not be used by partners in any publicity without prior consent. Security is paramount. UK aid branding should not be used in the field permanently where there are security concerns, where it poses a risk to staff or beneficiaries, or where it impairs the credibility of the programme. Where necessary, branding can be staged temporarily to capture photography and video footage.

Further background

The first Roadmap in Punjab was launched in 2010 to implement reforms in education access, retention, completion and quality. By compiling robust data and presenting them to the Chief Minister through traffic lights and heat maps presenting district performance, the Roadmap process has been able to change the process of programme delivery, generating real progress towards improvements in citizens' lives. It achieves this by addressing blockages to delivery (hereafter referred to as the roadmap approach). Government monitoring systems and transparency of

reporting have been strengthened and officials are held to account for progress. The initial results in the education sector were very positive, with teacher attendance increasing from 84.7% to 92.1% from September 2011 to February 2015, equivalent to 23,722 more teachers attending each day. While an additional 14,947 children (59% girls) have been enrolled in and are attending schools from January 2012 to December 2014.

Based upon the success of the roadmap approach in education, the Government of Punjab decided to launch a new Roadmap for primary and secondary health care in 2014. Subsequently, the Chief Minister has set ambitious goals in seven sectors (education, health, clean drinking water, solid waste management, tax, skills and rule of law) where roadmaps are either being or are to be implemented.

Box 1: Goals for four current roadmaps:

- **Education** – 100% enrolment and substantial improvement on quality of education
- **Health** – 90% vaccination coverage, 85% skilled birth attendance, provision of basic to acute care at primary and secondary care facilities
- **Clean drinking water** – provide 4 litres per capita per day to all communities in Punjab
- **Solid waste management** – increase collection efficiency of solid waste to 100%, exploit economic potential of solid waste and establish safe disposal mechanisms.

Successful implementation of the roadmap approach requires close collaboration between a dedicated 'roadmap team', the relevant government departments, other key stakeholders, and the Chief Minister's Secretariat. In education the team has generally consisted of some six to eight people. This team works with the department to identify key blockages, develop workable solutions to key challenges, and then put in place policy solutions designed to remove the blockages. Implementation progress is tracked through bi-monthly stock-takes with the Chief Minister, while the preparatory work seeks to bring stakeholders together to develop a common solution to emerging challenges. To date, in education and health, these 'roadmap teams' have been funded by the UK Government, through the Department for International Development (DFID). This funding will end in 2019 for education and 2018 for health.

In 2014 the Government acknowledged the importance of an external roadmap team to the education and health departments, as a key factor in ensuring successful reforms. This led to the creation of the Special Monitoring Unit (SMU). The SMU was established within the Chief Minister's Secretariat to function as a 'roadmap team' to priority sectors, enabling the Government of Punjab to build its capacity to achieve its priorities for citizens. In 2015, the SMU set out its vision around eight key objectives for how it will support the Chief Minister to achieve the Government's priorities (see box 2).

Box 2: SMU Objectives

- **Work as a delivery unit** using Sir Michael Barber's delivery approach
- **Monitor and ensure delivery** of the top priorities, ensuring technical assistance and external help is coordinated between departments
- **Act as a central repository and engine room of data**, which drives analysis, performance monitoring and visualization of all plans
- **Produce tangible results** in primary health care and family planning
- **Develop an organizational ethos of leadership** and professional development
- **Attract top foreign and local graduates** to contribute to Government of Punjab
- **House data** and software related to reporting, monitoring performance, conducting analysis and visualization shared in stocktake meetings
- **Support new work streams** of both existing and newly created roadmaps.

DFID has played a key role in establishing the roadmap approach in Punjab. Besides DFID support to the health and education roadmaps, DFID has also supported the SMU since 2014. This support has sought to enable the Government and Chief Minister to benefit from strategic advice focused on establishing and running delivery units internationally.

From March 2016, the Government is seeking to strengthen its capacity to manage and oversee the priority roadmaps, while ensuring a focus on implementation of key activities prior to 2018. The Government is therefore seeking continued support in three areas:

- **Ensuring key outcomes are achieved:** delivering significant improvements in key social development indicators in Punjab (health, education, water, sanitation, rule of law and provincial revenue).
- **Building sustainable capacity of the SMU:** to enable the Government, through the Chief Minister's Secretariat, drive delivery in order to achieve these outcomes.
- **Capacity development and transfer of knowledge:** ensuring that existing knowledge in key reform sectors (health and education) is transferred to the relevant departments and the SMU. This would include delivering a significant proportion of the capacity building support and development of the SMU within a much shorter timeframe (next 18 months) so that the SMU can function independently of donor (DFID) assistance.

Transparency Requirement

DFID has transformed its approach to transparency, reshaping our own working practices and pressuring others across the world to do the same. DFID requires Suppliers receiving and managing funds, to release open data on how this money is spent, in a common, standard, re-usable format and to require this level of information from immediate sub-contractors, sub-agencies and partners.

It is a contractual requirement for all Suppliers to comply with this, and to ensure they have the appropriate tools to enable routine financial reporting, publishing of accurate data and providing evidence of this DFID – further IATI information is available from;

[Redacted]

Annex A
[Redacted]

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