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| **Title: Knowledge, Evidence and Engagement Programme (KEEP)** | | |
| **Programme Value £ (full life): 18m** | | **Review date: 18/08/2020** |
| **Programme Code**: GB-GOV-13-ICF-0029-KEEP | **Programme start date:** April 2018 | **Programme end date:**  March 2021 |

**Summary of Programme Performance**

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| --- | --- | --- | --- |
| Year | **FY 18/19** | **FY 19/20** | **FY 20/21** |
| Overall Output Score | **A** | **A** |  |
| Risk Rating | **Moderate** | **Moderate** |  |

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| Link to Business Case: | [Link](https://science-and-innovation-network.s3.eu-west-2.amazonaws.com/BEIS+ICF/KEEP/KEEP+Business+Case.docx) |
| Link to results framework: |  |
| Link to previous Annual Review (if appropriate) | [Link](https://science-and-innovation-network.s3.eu-west-2.amazonaws.com/BEIS+ICF/KEEP/KEEP+Annual+Review+2018-19.docx) |

**A. SUMMARY AND OVERVIEW**

**Description of programme**

KEEP is a research and engagement facility that enables HMG climate leads to commission bespoke evidence and engagement activities to improve the delivery and increase the ambition of UK international climate finance activities, supporting developing countries to tackle climate change. It facilitates this by making funds available for research and engagement activities, filling evidence gaps and by ensuring efficient quality assurance and approval procedures

The programme is divided into three pillars with each pillar having its own budget, objective, clearance processes, and procurement channels to ensure compliance with BEIS’ research, finance and procurement standards:

* **Pillar 1** – To fund knowledge products proposed by HMG leads to inform ICF programming and business cases across priority low carbon, private finance and forestry areas. Studies could include initial scoping related to a policy or strategy or research to strengthen analytical methodology.
* **Pillar 2**– To fund research proposed by external and non-HMG experts, from the private sector, think tanks and other international development organisations, and which are clearly aligned to delivery of BEIS ICF objectives.
* **Pillar 3**- To fund engagement activities in order to inform or influence other decisions makers, helping them take actions to address barriers and unlock climate finance.

**Summary of progress and supporting narrative for the overall score in this review**

KEEP is in the second year out of a three-year delivery period. 13 projects have so far been commissioned, with eight projects fully completed and at least five additional new projects being developed in the pipeline. Almost £1.4 million has been spent, with more than £5 million approved for spend or in the spend pipeline. Whilst the programme is demand-led, meaning it is not a specific target to spend the entire £18m budget within three years, the programme has not spent as much at this point in the programme cycle as originally envisaged. Whilst there is demand, the time and resourcing needed to establish projects means it is not likely that the entire fund will be spent by the end of the three-year programme cycle.

50% of KEEP projects commissioned in this period have met the 12-week commission target, therefore the target for output 1 has not quite been met. Resourcing/capacity issues are a significant cause of delays, including to projects that have not made it to the concept note phase. Covid-19 has also contributed to project delays towards the end of this review period. Despite not meeting this target, both completed and live KEEP projects are being delivered in a timely way to feed into the activities they set out to contribute to (for example, programme business case, strategy review or engagement event), meaning they still meet the aim of the programme.

Planning and management tools are being used for effective delivery of objectives at programme and project level thus output 2 meets expectations. Approval and project formation processes are clear and embedded procurement and finance experts in the team have made the process robust and efficient. Projects also have clearly set out milestones and performance indicators. There is also a robust pipeline of projects in development. These points combined contribute to KEEP projects being able to deliver in a timely and effective way to support UK international climate finance activities.

The KEEP Business Case and 2019 annual review were delayed in being published and outputs cannot be published before this has happened. Therefore, there is no milestone for this review period for output 3 on publishing KEEP research project outputs on DevTracker within 12 weeks of final output sign-off. The Business case and 2019 annual review will be published alongside this annual review, after which already signed-off research reports will be published.

Some awareness raising activities for KEEP have been delayed meaning output 4 has moderately not met expectations. However, there is a good awareness across the ICF team and even some awareness across wider Government and key climate stakeholders on KEEP as a resource. This increases the likelihood of KEEP commissioned projects being used to address key priority needs related to international climate finance.

Whilst some of the output level indicators have not been met, and whilst the full extent of the programme’s impact will only be evident in time, indicators at the level of outcome and impact are already being met. As discussed in section B, KEEP is achieving its log frame indictors, where project milestones as set out in contract and grant agreements are being met on time and completed projects have met their goals, according to the project after reports. These are the best available proxies for the outcome that ICF programming, policy and objectives are being influenced by high quality research and engagement activities. This feeds into KEEP projects ability to contribute to improved delivery and increased ambition of UK international climate finance activities. Progress on this is already evident, as demonstrated by fulfilment of the impact level indicator, where KEEP research projects are being drawn on to develop or redesign programme business cases or interventions. This indicates that ultimately the programme is meeting expectations.

The programme will continue to seek to meet output level indicators in the next review period to try to ensure the outcomes and impacts continue to be met.

**Progress against recommendations from the last review**

|  |  |
| --- | --- |
| **Recommendation** | **Progress** |
| KEEP PM to continue putting project leads in touch with relevant contacts in BEIS Central teams (Procurement, Legal, Finance, Commercial, and State-Aid) and advise on the right procurement route to support timely commissioning. | Achieved – working closely with embedded ICF procurement, commercial and finance specialists and bringing them into the conversation at the earliest stage of project conception. Also working closely with legal and state-aid specialists. |
| KEEP PM to continue monitoring time taken to obtain all approvals and maintain a log of feedback for future reference. | Achieved – log of time taken to obtain approvals maintained. |
| KEEP PM to ensure before and after reports are mandatorily completed by commissioning teams to track outcome and impact of projects, to inform results note and subsequent annual reviews. | Achieved – concept notes and businesses cases before project inception and after reports once the project has concluded routinely completed and collected. |
| As part of good programme management, KEEP Board’s recommendations are to:   * + Align the financial profiles of ICF and KEEP to better manage spend by regularly engaging with ICF Programme Management Office (PMO) by September 2019;   + Set up nimble processes to allow Board members to review incoming proposals by July 2019;   + Set up quarterly Board meetings as part of overall programme management. Frequency to be reviewed based on need.   + Explore procurement and framework solutions with ICF PMO on a quarterly basis. | Mainly achieved –  Not achieved - ongoing engagement with ICF PMO, but alignment of financial profiles not taken place (this alignment is not essential)  Achieved - approvals process presented to board members who reviewed and approved  Achieved - quarterly board meetings have been taking place  Partially achieved - informal ongoing discussions about procurement solutions taking place, but no immediate alternative options apparent. |
| Revise the log frame outcomes to reflect the scope of what KEEP by itself can realistically achieve. | Achieved – log frame updated after consultation with KEEP SRO and M&E specialist |
| KEEP PM to continue to gather initial steers on BEIS research assessments forms from BEIS Finance, Legal, Procurement, State-Aid teams and the research secretariat and maintain a log of suggestions for future references. | Achieved - Embedded procurement specialist who helps identify best route and any potential issues at the early stage of the process and navigate the procurement process. And new embedded finance specialist.  Efficiency within the legal advice process has been sought getting agreement on clarifying and increasing VfM for the legal process |

**Major lessons and recommendations for the year ahead**

As the log frame has been updated it has become misaligned with the theory of change, with the level of impacts/outcomes shifting up a level in the log frame. It is recommended to reconcile the theory of change with the new log frame before the next annual review in early 2021.

In terms of ensuring projects meet the commission target timeframe, ensure complex projects are flagged at an early stage as needing extra attention to make sure they are commissioned in the time agreed.

Connected to this, to ensure resourcing considerations are less of a risk to project delivery, KEEP manager to emphasise at the initial conversation stage the importance of thinking about how a project will be resourced and making sure there is a clear and dedicated lead with capacity to take on the project. Consultation with ICF team deputy directors also to be held in the next six months on potential solutions to the resourcing issue.

KEEP manager to continue to make sure the risk register is complete and carry out horizon scanning quarterly for potential risks to projects or staff capacity.

Another recommendation is to continue to use quarterly KEEP board meetings to assess the pipeline of projects and take action if potentially impactful projects are identified that have not yet been commissioned or if the pipeline of projects is assessed as not conducive to the delivery of UK international climate finance objectives.

It is recommended that the dedicated ‘ICF learns’ session takes place before early 2021 and colleagues across ICF delivering departments and other teams involved in related areas, such as the delivery of COP26, continue to be made aware of KEEP as a resource.

It is recommended to review the split between research and engagement activity and whether the split reflects the aims set out in the business case in the next available KEEP board meeting.

There is a need to look into the potential to extend KEEP past the initial three year period, either through a no-cost extension, where the initial £18m dedicated to the programme is rolled over into future years, or if there is the potential/need for an increase in available funds, based on likely future demand.This should be alongside a review of what has and has not worked and what could be improved and should take place at least six months before KEEP is due to end in March 2021.

## B: THEORY OF CHANGE AND PROGRESS TOWARDS OUTCOMES

**Summarise the programme’s theory of change, including any changes to outcome and impact indicators from the original business case.**

There are three broad categories at the level of inputs in the KEEP ToC:

* Financial inputs/funding for research and engagement projects
* Analytical support from ICF analysts to advise on technical considerations and project design for research projects
* KEEP lead for oversight on process and fit within broader KEEP.

These enable projects to be established at the level of activities under the three pillars of KEEP:

* Pillar 1: HMG identified research
* Pillar 2: Research projects identified and proposed by external stakeholders/partners
* Pillar 3: Engagement activities

At the level of direct outputs, depending on the pillar utilised, either robust evidence products will be produced, or internal and/or external communication and engagement activities will take place. At the next level in the ToC of indirect outputs the evidence produced will be used to inform HMG business case design, HMG strategy and policy and potentially by international partners.

At the level of outcome, the outputs will be used to positively influence global conversation and the way climate finance is spent, in support of a below 2 degrees pathway. This should then contribute to the impact of policy and programming interventions transforming the physical and political landscape that shifts countries towards low carbon pathways.

Most of the assumptions in the theory of change hold true (sufficient pipeline of demand for activities and growing ICF portfolio, suitable selection criteria and appropriate supplier available, leading to credible and robust evidence that supports UK objectives and supports programme design). However, as mentioned already, one of the biggest challenges is capacity in terms of staff dedicated to delivery of individual KEEP projects at the level of input, which then has an impact on the assumptions at other stages of the ToC, such as evidence getting to the right people at the right time. Without dedicated resourcing, KEEP projects either are not pursued or can be delayed to a point where linkages with other processes where the potential project could most helpfully contribute could potentially be missed.

As the log frame for the programme has been revised, based on a recommendation from last year’s annual review, but the theory of change has not been updated, there is a some disconnect between the theory of change and the revised log frame. This is mainly evident where outputs in the theory of change now relate to indicators at the level of impact in the log frame. It is recommended to reconcile the theory of change with the new log frame.

**Describe where the programme is on/off track to contribute to the expected outcomes and impact. What action is planned in the year ahead?**

The desired outcome for KEEP is that ICF programming, policy and objectives are influenced by high quality research and engagement activities. For this to happen KEEP projects need to progress in a timely manner and deliver certain outputs at specific points which has been translated into an outcome indicator that project deliverable milestones are met. Currently running KEEP projects have strong project management tools and dedicated and capable project managers which means that, apart from where external circumstances, such as COVID-19 impact the progression of work, projects are meeting the milestones set out in the contracts or grant agreements. All projects that have been completed in this review period have been completed in a time frame that has enabled them to play a positive role in shaping ICF programmes.

The other indicator that contributes to the desired outcome is that as well as KEEP projects progressing on time, they also need to achieve the goals set out in the project business case. 100% of KEEP projects completed in this review period said in the project after-report that the project achieved its goal, mainly either of feeding into upcoming programme business cases by providing evidence or options, or shaping and influencing strategic international and cross-Government climate-related discussions.

KEEP research projects being drawn on to develop or redesign programme business cases or interventions is one of the indicators for the impact level objective of KEEP, improving the delivery and increases the ambition of UK international climate finance activities, supporting developing countries to tackle climate change. Progress on this is already evident, and the milestone for this annual review of three business cases being influence by KEEP evidence has been met. These are:

* Technical assistance study being used in the Climate Finance Accelerator (CFA) Extension
* Evidence generated by the SIP Asia project has been used to make the case for ICF support for Bangladesh and Pakistan through SIP Asia programme.
* The unlocking private finance for forest and land-use sector project has also been used to inform the Mobilising Finance for Forest programme

As engagement projects have less tangible outputs and often less immediate results, it is too early to say whether they have been effective and influenced climate policy or action more broadly– this will be reviewed at the end of the initial three-year programme period. However, as mentioned above, completed KEEP engagement projects have met their intended goals which is a positive sign, and prospective KEEP pipeline engagement projects are being planned in key strategic climate finance areas.

One outstanding question is, as well as individual KEEP projects achieving their goals, what scale of influence KEEP is having as a whole on the impact level aim. Indicators at the level of impact only implicitly assess the influence of KEEP, as a whole, on UK climate finance, as this is not something that can be assessed in a systematic way. Whilst the overall impact of the programme should be considered in review discussions, this is mainly in terms of the combined impact of individual sub-projects, and potentially where there are gaps in research and engagement activities in this space that KEEP can help fill.

**Has the logframe been updated since the last review?**

Based on a recommendation from last year’s annual review, the log frame for KEEP has been updated to reflect more realistically what the programme can deliver through its activities, and moving to the level of impacts those effects that are outside the scope of the programme. This means KEEP management can focus on delivering what is actually possible (meeting evidence and engagement demands in a time/resource effective way), and makes clear that the impact side (actual use of the evidence) relies on the ICF team as whole (e.g. how programme leads use evidence, how engagement opportunities are made use of, or how ICF comms promotes research).

Additional outputs around what the programme can and should deliver to be most effective have been added to the log frame, including publishing research outputs, and delivering KEEP awareness raising activities.

Strategic management tools have been kept as an output indicator, with added elements on risk management and timely project delivery, as timely delivery is important for the evidence or engagement resources to be contribute to outcome/impact level effects.

Meeting project milestones has been moved from output to outcome level as whilst things can be put into place to try to ensure all project milestones are met, external factors will influence this.

The use of KEEP evidence to inform new business cases or redesign existing programmes has been moved to the level of impact, as its outside the scope of the programme to ensure the evidence is used and many other elements will be at play in designing or redesigning programmes. This indicator has also been changed to include other interventions, as it is not only ICF Programme business cases that can be influenced by KEEP evidence.

The effects of KEEP engagement (pillar 3) projects has been moved to the level of impacts for similar reasons as above, and has been broadened in scope, as a qualitative indicator to be assessed at the end of the first three year period of the programme, as the impacts of engagement activities can take time to become apparent and can be quite intangible.

**Justify whether the programme should continue, based on its own merits and in the context of the wider portfolio**

The programme should continue as it provides useful support in a robust but flexible way.

It fills the gap of responsive needs where other programmes cannot and it provides a space for exploring innovative thinking. KEEP provides impact multiple times bigger than its small scale as it’s an enabler for other programmes to be more effective. The programme delivers what is intended to deliver and those who have commissioned projects through KEEP agree that the projects meet their aims.

## C. DETAILED OUTPUT SCORING [aim for 1 page per output]

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| --- | --- | --- | --- | --- |
| **Output Title** | Relevant research and engagement products and services are procured through KEEP in a timely way | | | |
| Output number: | | 1 | Output Score: | B |
| Impact weighting (%): | | 35 | Weighting revised since last AR? | New output |
| Risk rating | | Minor | Risk revised since last AR? | New output |

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| --- | --- | --- |
| **Indicator(s)** | **Milestone(s) for this review** | **Progress** |
| 1.1 % of KEEP projects commissioned within 12 weeks from concept note being submitted, excluding projects delayed or cancelled before commissioning for substantial political or strategic reasons | 75% of proposals commissioned as scheduled | Not achieved  50% of proposals were commissioned within 12 weeks from the concept not being submitted, meaning the milestone was not achieved |

**Briefly describe the output and provide supporting narrative for the score.**

Most of the work taking place in KEEP in the annual review period has been in agreeing grants and contracts, establishing governance procedures for and running programmes that have already been approved, or creating business cases for projects to be run in future years that have not yet been approved. This means few proposals have been commissioned.

However, of the four projects commissioned in this period, half have met the 12-week target for approval from the point of concept note being submitted. There is willingness within ICF SMT to engage quickly with projects, especially those of strategic importance. The embedding of dedicated procurement and finance specialist also contributes to an efficient commissioning process. Where projects are smaller scale and where they are relatively straightforward, the commissioning target is more likely to be met.

In the case of the projects being delayed, in one case the main cause of delay was the need to review the business case in light of the impact that Covid-19 would have on the delivery of project objectives. Whilst this is an external issue that could not have been foreseen, it highlights the importance of robust risk assessments.

The cause for delay for the other project was a lack of staff time available to take the project forward and manage it, meaning it has been delayed indefinitely.

An issue related to this output not captured by the indicator is a number of occasions where an initial informal conversation is held between potential project leads and the KEEP manager, but the project does not reach to concept note phase, which is also mainly cause by lack of staff time to take the project forward.

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| Project | Description | Commissioning timeline |
| Accelerating the Transition Away from Coal in the Philippines  extension | An extension to the already running Accelerating the Transition Away from Coal in the Philippines project. The initial project identified the need for further stakeholder engagement to gain full buy-in, and further research on areas identified in the first stage of the project, such as additional inflection points around the changing economics around coal vs renewables, determinants of change that will speed up or slow down the transition and a review of IEA, EIAB and BNEF projections. | Met the 12-week target. Took 9 weeks from first written proposal, which was the light touch business case rather than a concept note as it is an extension to an existing project rather than entirely new. Research Committee were content that it did not need go through them again. |
| Climate action and international finance | Project to provide a shared understanding of growth opportunities to accelerate climate action and enhance finance for developing countries leading up to and beyond COP26 and support and advise the UK COP Presidency. | Not yet approved and will not meet the 12-week target. Initial proposal sent through in early February 2020, was making good progress, senior management buy in, mid-March needed to revise the business case due to the impact of Covid-19, is still being revised. |
| Ashden Awards 2020 | Continuing the strategic partnership with the Ashden Awards to support and increase the visibility of innovative climate change solutions by funding awards for innovation in energy access and nature-based solutions. | Met the 12-week target. Concept note written in early March 2020, business case was approved in 10 weeks. |
| Energy Auctions in Africa | Project to review the use of auctions as a pricing tool for the scale up of renewable energy projects in Africa. It seeks to provide policy recommendations for the design and implementation of renewable energy auctions to inform UK government, other donor, and partner government policy. | Project was initially proposed in November 2019 and was set to go to the BEIS Research Committee in December but has been indefinitely delayed due to resourcing challenges. |

**Assess the VfM of this output compared to the proposition in the Business Case, based on performance over the past year**

Each KEEP projects has its own value for money assessment before it is approved. Part of the commissioning process for KEEP projects is to outline the procurement process to be used, which emphasises efficient and economic options – either by using a procurement framework or open procurement, both of which have competitive tender elements. This ensures we are paying the right price for the services procured.

Please see overall value for money section below for value for money considerations for the programme in general.

**Describe any changes this output, and any planned changes as a result of this review.**

The target on time taken for research and engagement were separate indicators in the previous log frame, they have been amalgamated in the revised log frame and standardised at 12 weeks for both, instead of 15 weeks for engagement projects, as engagement projects should not take longer to be approved than research projects. The change in indictors doesn’t have much of an impact on the programme as the aim remains for projects to be approved as efficiently as possible whilst maintaining quality. No further changes are envisaged.

**Progress on recommendations from the previous AR (if completed), lessons learned this year and recommendations for the year ahead**

Recommendation from the last annual review:

KEEP PM to continue to gather initial steers on BEIS research assessments forms from BEIS Finance, Legal, Procurement, State-Aid teams and the research secretariat and maintain a log of suggestions for future references – **Achieved**

We now have a procurement specialist embedded in the ICF team, who helps identify the best route and any potential issues at the early stage of the process and navigate the procurement process. There is also a new embedded finance specialist who helps streamline the process.

Efficiency within the legal advice process has also been sought, with a legal checklist being produced and agreement to have continuity in the lawyer providing advice, increasing VfM for the legal process.

BEIS research committee have been engaged to gain clarity on which circumstances KEEP projects need to be signed off by the committee.

Obstacles to achieving this output target are mainly around the complexity of projects lengthening the process and staff resource to lead projects. Complex projects needing more time is somewhat unavoidable, but complex projects could be flagged at an early stage as needing extra attention to make sure they are commissioned in the time agreed.

The issues around capacity are outside the scope of the project to solve, however the KEEP programme manager could make sure to flag at the initial conversation stage the importance of thinking about how a project will be resourced and making sure there is a clear and dedicated lead with capacity to take on the project. There should also be consultation with ICF team deputy directors to scope if there are any potential solutions to the resourcing issue.

The KEEP programme manager should also continue to make sure the risk register is up to date and detailed, and could also make sure to conduct regular horizon scanning for potential risks to projects or staff capacity.

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| **Output Title** | Planning and management tools are used for effective delivery of objectives at programme and project level | | | |
| Output number: | | 2 | Output Score: | **A** |
| Impact weighting (%): | | 35 | Weighting revised since last AR? | Yes, 15% increase |
| Risk rating | | Minor | Risk revised since last AR? | No |

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| **Indicator(s)** | **Milestone(s) for this review** | **Progress** |
| 2.1 Robust project management established to ensure timelines for project deliverables are kept to | All contracts/ grant agreements/ MoUs clearly set out performance related expectations with clear milestones | Achieved |
| 2.2 Programme planning and management tools developed | A robust pipeline for projects developed | Achieved – 5 potential projects in the pipeline, with initial conversations on other less formulated projects happening |

**Briefly describe the output and provide supporting narrative for the score.**

Thanks in large part to the embedded contracts specialist, the contracts and grants that have been drawn up in the review period have had clearly set out milestones and performance indicators. This allows project managers to clearly see when the project is being delayed, and the use of results-based payments and review periods in the contracts helps mitigate risks around non-delivery or poor performance.

There are currently five potential KEEP projects at fairly concrete stages of conception, mainly at the concept note or drafting business case stage of progress. They cover a range of issues from support for COP26 campaign engagement and country-specific climate change engagement funding in Colombia and Mexico, to a call-down menu for urgent high priority research needs and research on carbon markets. Initial informal conversations with others on a wide variety of topic areas have also taken place with the KEEP manager, with many potential projects being considered.

**Assess the VfM of this output compared to the proposition in the Business Case, based on performance over the past year**

By establishing clear guidance on outputs and project deliverables, efficiency is strengthened. It enables strong control over the quality of outputs and ensures projects deliver what they set out to. A robust pipeline of projects ensures KEEP is effective, as it continues to respond to UK international climate finance priorities.

Please see overall value for money section below for value for money considerations for the programme in general.

**Describe any changes this output, and any planned changes as a result of this review.**

Another indicator was added to this output around project management, as it was felt it was important to reflect the role of robust management at the project level in effective delivery of objectives, alongside the need for programme level planning and management tools. The weighting of this output has been revised upwards, as this is one of the key areas within the scope of KEEP that can contribute to the desired impact and outcome level goals.

**Progress on recommendations from the previous AR (if completed), lessons learned this year and recommendations for the year ahead**

Recommendations from the previous annual review were mainly achieved:

* Align the financial profiles of ICF and KEEP to better manage spend by regularly engaging with ICF Programme Management Office (PMO) by September 2019 – **not achieved**;
* Set up nimble processes to allow Board members to review incoming proposals by July 2019- **achieved**;
* Set up quarterly Board meetings as part of overall programme management. Frequency to be reviewed based on need – **achieved**;
* Explore procurement and framework solutions with ICF PMO on a quarterly basis – **partially achieved**.

There is ongoing engagement with ICF PMO but alignment of financial profiles not taken place – this alignment is not essential. The project approvals process has been presented to board members who approved the process and quarterly board meetings have been taking place. There are informal ongoing discussions about procurement solutions taking place, but no immediate alternative options are apparent.

Recommendation for the next year is to continue to use KEEP board meetings to assess the pipeline of projects and take action if potentially impactful projects are identified that have not yet been commissioned or if the pipeline of projects is assessed as not conducive to the delivery of UK international climate finance objectives.

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| **Output Title** | KEEP research project outputs are publicly accessible | | | |
| Output number: | | 3 | Output Score: | **n/a** |
| Impact weighting (%): | | 15 | Weighting revised since last AR? | New indicator |
| Risk rating | | Moderate | Risk revised since last AR? | New indicator |

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| **Indicator(s)** | **Milestone(s) for this review** | **Progress** |
| 3.1 Where in line with GSR publishing protocol, % of KEEP Research project outputs are published on DevTracker within 12 weeks of final output sign-off | n/a | As the KEEP Business Case and 2019 annual review were delayed in being published and outputs cannot be published before this. They will be published alongside this annual review. |

The sharing of outputs from KEEP projects has so far proved challenging due to delays in getting the KEEP business case and therefore the reports published on DevTracker.

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| --- | --- | --- | --- | --- |
| **Output Title** | ICE colleagues aware of KEEP and how to use it | | | |
| Output number: | | 4 | Output Score: | **B** |
| Impact weighting (%): | | 15 | Weighting revised since last AR? | New indicator |
| Risk rating | | Minor | Risk revised since last AR? | New indicator |

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| **Indicator(s)** | **Milestone(s) for this review** | **Progress** |
| 4.1 KEEP awareness raising opportunities that have taken place | One ICF learns session delivered and reminders of KEEP as a resource in at least one ICE and one ICF stand-up | * Delayed   KEEP has been flagged as a resource in regular directorate meetings, but lack of resource means a dedicated session to communicating KEEP to colleagues has not yet taken place. |

**Briefly describe the output and provide supporting narrative for the score.**

This indicator was created as, for the benefits of KEEP to be realised, ICE team members need to understand what KEEP is, and how it works. Awareness raising activity will still be useful and should take place in the near future. However, many people within the directorate are aware of the programme and that this resource is available. The details of how KEEP works is discussed with the programme manager when a need is identified.

KEEP as a resource is also known to colleagues in other government departments and by stakeholders outside of government who are key players in the climate change space and that we work closely with. Whilst the awareness raising opportunities listed in the indicator will help make the resource known, the more informal communication of KEEP through other channels seems to be the key way of making potential users of the programme aware of its existence and use.

**Assess the VfM of this output compared to the proposition in the Business Case, based on performance over the past year**

Ensuring colleagues and other stakeholders are aware of KEEP as a resource supports the programmes effectiveness, as this enables it to continue to respond to UK international climate finance priorities.

Please see overall value for money section below for value for money considerations for the programme in general.

**Describe any changes this output, and any planned changes as a result of this review.**

This is a new output as it was felt awareness of KEEP as a resource is a key factor in it being used in an effective way.

**Progress on recommendations from the previous AR (if completed), lessons learned this year and recommendations for the year ahead**

There are no recommendations from the last annual review on this output as it is new.

It is recommended that the dedicated ICF learns session takes place in the next year and colleagues across ICF delivering departments and other teams involved in related areas, such as the delivery of COP26 continue to be made aware of KEEP as a resource.

**D: PROJECT PERFORMANCE NOT CAPTURED BY OUTPUTS**

After 2 years of KEEP being up and running, research projects are starting to produce outputs, and these outputs are starting to influence ICF programming. The forest and land use sector research is feeding into the Mobilising Finance for Forest programme set for approval in October 2020. The technical assistance research fed into the Climate Finance Accelerator (CFA) Extension approved in October 2019, and the mitigations options research will feed into the BEIS ICF strategy refresh, which will set the direction of future ICF programming.

In the project after reports, where the answered the question, 100% said that KEEP helped develop their team’s capability and capacity to deliver team goals or to respond to urgent priorities. In particular, the Technical Assistance project has given BEIS analysts tools to better appraise, monitor and report on TA programmes

There have been less research projects generated through KEEP so far than initially estimated and one factor in this has been limited resourcing within teams to project manage a new project. Only £1.4m of the total £18m KEEP budget has been spent in the two years the programme has been running, with one year of the programme currently remaining (subject to extension). Momentum and demand has been building over the last year and we should expect to see an expanded programme of work in the next results collection. However one recommendation is to think about possible solutions to the lack of capacity/team resources to manage projects as this seems to be the biggest barrier to potentially really useful projects not coming to fruition. Another recommendation is to look into the potential to extend KEEP past the initial three year period, either through a no-cost extension, where the initial £18m dedicated to the programme is rolled over into future years, or if there is the potential/need for an increase in available funds, based on likely future demand.

KEEP is helping build capability and capacity of climate leads to respond to engagement needs, which can help inform and influence other decisions makers, helping them take actions to address barriers and unlock climate finance. Engagement projects funded through KEEP are seen to be achieving their goals of reaching key stakeholders. 100% of the after reports for KEEP engagement projects received all judged the projects as impactful. For example, funding for delegates to the IDEAs conference enabled a voice from the Global South in several key sessions and there was due to be a follow-up event at Wilton Park on transformational change related to climate action and an IDEAS publication.

There is lots of initial interest in commissioning KEEP engagement activities, especially in the run up to COP26. This is not necessarily an issue but its recommended to review the split between research and engagement activity and whether the split reflects the aim set out in the business case.

**E: RISK**

**Overall risk rating:**

Moderate

**Overview of risk management**

The risks identified in the business case remain largely valid apart from additional risks from COVID-19 potentially affecting delivery of KEEP projects.

1. The risk that significantly lower or higher number of proposals received compared to expectations is **moderate**. Whilst numbers of projects commissioned in this annual review period has been comparatively low (four) there are five substantial projects in the pipeline and there is additional interest from many teams to use the programme in the near future.
2. The risk that duplication of effort with other research undertaken by HMG, other knowledge platforms and BEIS’s academic network on energy remains **moderate**. Only three completed research reports have so far been produced, all of which have a very low risk of duplication. Initial assessment of all proposals suggests there was no duplication however we cannot be complacent. Regular discussions with colleagues across Government should continue to track potential duplication.
3. The risk that ineffective dissemination within BEIS, OGD’s and external stakeholders is **minor** as knowledge products are effectively shared with key colleagues and partners. The forests study was shared with DEFRA, and UNEP FI Forests and Land Use Team. The SIP Asia for Bangladesh and Pakistan was shared with World Bank and UN colleagues.
4. The risk that time slippage will mean studies aren’t useful for business case design and will reduce the returns to investment is **major**. The mitigation options study is one example where the clearances processes took longer than anticipated as drafting a complex, high quality proposal quickly was challenging, which could have impacted its envisaged use. However, the study is now underway and remains valuable as it will inform the future direction of the ICF strategy refresh and future programming.
5. The risk that difficulty in robustly measuring the overall effectiveness of the portfolio is **minor** since processes are set up, before and after report templates are developed and a process to gather evidence on the overall effectiveness of the programme is in place.
6. The risk that engagement activities are ineffective, through poor choice of timing, audience or messengers is **moderate**. Although these incidences have not taken place, teams and KEEP PM should not remain complacent and this risk must be monitored through the after-report templates.
7. The risk that insufficient quality of commissioned research and evidence is **moderate** The review and procurement mechanisms set up as part of the KEEP approvals process should continue to ensure that research delivered is of a high quality.
8. The risk that significant delays to publication of reports is **major** since no reports have been published yet, due to KEEP business case needing to be published first. The redacted business case will be published alongside this annual review, after which finalised outputs can be published.
9. The risk around the impact of Covid-19 on delivery of KEEP projects and the programme overall is **moderate**. As a demand-led programme, new commissions may not come in, as capacity reduces with illness, mobilisations and competing priorities. This does not require specific mitigation measures. Covid-19 is likely to have more of an impact on the engagement projects and engagement aspects of blended projects (project-specific details below), in terms of delays or cancellation of key events or visits. Research projects should be able to proceed more or less as planned, with appropriate adjustments such as virtual workshops.

**Outstanding actions from risk assessment**

No outstanding actions apart from continuous monitoring of risks.

**F: PROGRAMME MANAGEMENT:** **DELIVERY, COMMERCIAL & FINANCIAL PERFORMANCE**

**Summarise the performance of partners and BEIS, notably on commercial and financial issues, and including consideration of VfM measures of economy and efficiency.**

Most monitoring and evaluation activities are specific to each of KEEP sub-project and depend on the scale of the project but this is always established for every project with input from analysts and contract management experts from the conception stage onwards. All projects are required to fill out an after-report once the project is finished, which enables learning to be taken forward. On a programme-wide level, quarterly KEEP board meetings, KPI 15 reporting and annual reviews provide opportunities to review risks and programming decisions.

**Economy**

Most core knowledge products have been procured through an open procurement using DFID’s EACDS Lot C and Lot B frameworks, or the OJEU tender process. The only exception being the ‘Energy Dynamics Study’ – a combination proposal - which is being procured through a BEIS competitive grant process to ensure international competition and value for money from a wide variety of suppliers. All processes undertaken have received sign offs from BEIS Procurement, Finance and Legal (where relevant) which means the processes are in accordance with best international practice in procurement. In addition, procuring the majority of services through one main mechanism judged to provide good value for money because it avoids significant staff resource spent managing a variety of smaller contracts, thus reducing staff time and administration costs.

Asides from the procurement process, project leads must fill in a short business case (for engagement projects) or research assessment form (for research, or combination, projects), working with specialist procurement, finance, legal and analytical colleagues. This must then be approved by the KEEP senior responsible officer (and the BEIS Research Committee for research projects). This provides further VfM assurances as any potential issues that might affect the delivery of the project are flagged, as well as whether the right deliverables are being sought, whether the scale of the project is appropriate for the desired result and whether the process being undertaken is most suitable.

**Efficiency**

Teams using the program are generally satisfied with the time frame for the delivery of services and the quality of deliverables. Evidence from the core knowledge products are being fed into teams’ respective business cases and teams are confident that engagement projects are helping to reinforce strong UK thought leadership on climate change.

**Effectiveness**

As evidenced elsewhere in this review:

* Outputs from KEEP research projects are starting to influence ICF programming
* Engagement projects are helping build capability and capacity of climate leads to respond to engagement needs, reach key stakeholders and helping inform and influence other decisions makers
* KEEP funding in general is contributing capability and capacity to deliver team goals or to competently respond to urgent priorities.

These points demonstrate KEEP is showing capacity as an effective programme.

**Assessment of whether the programme continues to represent value for money**

The programme is judged to represent good value for money, as it fulfils a unique role in International Climate Finance by providing flexible resources to enable ICF to be responsive to emerging research and engagement needs in an efficient way whilst maintaining quality, through proportionate approval processes. It helps underpin ICF programmes with high quality evidence and enables UK Government to influence international climate change dialogue through engagement activities which may not be resourced without the programme.

**Quality of financial management**

Financial management of this programme is the responsibility of the in-house programme manager. KEEP Spend Log is used to track expenditure and to provide a breakdown of spend as per pillars and teams on an annual basis. The quality of financial management is acceptable.

Accuracy of forecasting for this programme is difficult, as it is demand-led, which means projects will be set up and need funding by the middle of the financial year that weren’t in existence at the beginning of the financial year. However, clear milestones for payment are established when programs are set up, which is fed into financial forecasting.

**Delivery against planned timeframe**

As agreed to in the business case, the programme has no arbitrary target for total annual disbursement. Funding for any projects of planned outputs will be agreed in advance of being disbursed, therefore avoiding any perverse incentives to spend the whole £18m and ensure value for money (VfM).

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| Date of last narrative financial report |  |
| Date of last audited annual statement |  |