

Advisory Group evaluation process, which is otherwise to be used for Darwin Plus Main and Darwin Plus Strategic.			<p>local perspectives and needs, as well as building up capacity and capability. There is therefore a poor strategic fit. This will likely lead to poor vfm in terms of both projects selected in a particular cycle, and negatively impact stakeholder relations in the longer-term.</p> <p>This option does not provide sufficient resource (e.g., marketing, stakeholder engagement application support) to facilitate a critical mass of quality projects, particularly from potential delivery partners that have relevant expertise but limited administrative capacity. It will therefore likely fall short on the delivery/support issues raised in the Call for Evidence.</p>
<p>Option 1c: Dedicate a single specific team to delivering the Local Tier</p> <p><u>Preferred Option</u></p>	<p>~ £1.5 million pot.</p> <p>Anticipate: 5%-10% on administration; 90%-95% on projects.</p>	<p>Single delivery partner assists with economies of scale.</p> <p>Competitive dimensions of a challenge fund.</p> <p>Provides sufficient resource to facilitate critical mass of quality projects.</p>	<p>This approach will need to ensure the specific team selected has confidence of all 14 Overseas Territory governments, and has access to local knowledge/expertise.</p>

Part 1 preferred option: based on the table above, we consider that the factors associated with **Option 1c** (using a dedicated team) provide significantly better VfM for the Local Tier (costs, likelihood of delivery, quality of delivery) than Options 1a or 1b.

Part 2: Following selection of Option 1c (dedicated team/resource), we now raise the question of whether the Local Tier should be delivered in-house, or through an external partner.

Option	Cost	Benefits	Risks
<p>Option 2a: Run Local Tier in house with additional resource at Defra</p>	<p>~£1.5 million pot.</p> <p>Likely parameters £100k-£150k, with T&S a significant element.</p>	<p>Readiness to deliver in time for launch.</p> <p>Good institutional knowledge of programme as a whole.</p>	<p>Creates organisational challenges in relation to HMT request for no new FTE.</p> <p>Limited local expertise and credibility, and very limited reach, affecting quality of programme delivery.</p>
<p>Option 2b: Run Tier using an external partner.</p>	<p>~£1.5 million pot.</p> <p>Admin costs expected</p>	<p>There are external partners that have worked with Darwin</p>	<p>Appointing a partner creates risks and requires careful relationship management.</p>

Preferred Option	to be similar to running in-house, potentially slightly lower if select a partner with good existing geographical reach and therefore lower T&S. Likely parameters ~£75k-£125k p.a	Plus programme before who have: good organisational agility; strong local expertise; strong in-house capabilities; good knowledge of programme as a whole; good geographical reach.	
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Part 2 preferred option: we consider that **Option 2b** should be followed: appointing an external partner with local expertise, credibility, and extant reach will lead to better outcomes than creating additional resource within Defra to deliver the Tier. We also note that Option 2a remains a functional fallback option if necessary.

Part 3: While the procurement for the Fund Manager involved going out to tender, the specific characteristics of the Local Tier may lend themselves to the possibility of a direct appointment.

Approach	Benefits	Risks
<p>Option 3a: Explore direct appointment</p> <p>Preferred Option</p>	<p>Recognises the relatively small size of the community of actors in Darwin Plus (in view of its highly specific geographies and activities), and the even smaller pool of partners capable of delivering the Local Tier of Darwin Plus programme.</p> <p>The best placed external partner is likely to be already known to the Defra team, since Darwin Plus is the main programme for biodiversity in the Overseas Territories, and engaged organisations would therefore have the necessary experience and expertise for delivering on the Local Tier.</p> <p>Given that the Local Tier is a new undertaking within the programme, using a direct appointment for a known partner to deliver its first iteration may be safest option. Once Local Tier is well established, we have a sense of what baseline delivery is</p>	<p>Any direct appointment would need to be undertaken on exceptional grounds.</p> <p>Any direct appointment is open to risk of challenge.</p>

	like, and can open up competition. Would deliver on readiness to launch.	
Option 3b: Do not explore direct appointment	Competitive bidding process should lead to an ability to compare strengths and weaknesses of different applicants. Tender approach would provide an opportunity to go outside usual known actors and potentially improve the programme through appointing a fresh pair of eyes. We would expect that well-known external partners would apply, although this is not guaranteed.	Process of going out to tender and bringing potentially new contact up to speed on programme would not deliver so effectively on readiness to launch and may lead programme delays. Tender approach would not necessarily guarantee good quality bids or lower costs.

Part 3 preferred option: based on the factors laid out above, we consider that **Option 3a** should be followed on the basis that it is likely to lead to meaningful results and the possibility of direct appointment on exceptional grounds. This option will now require further investigation and scrutiny.

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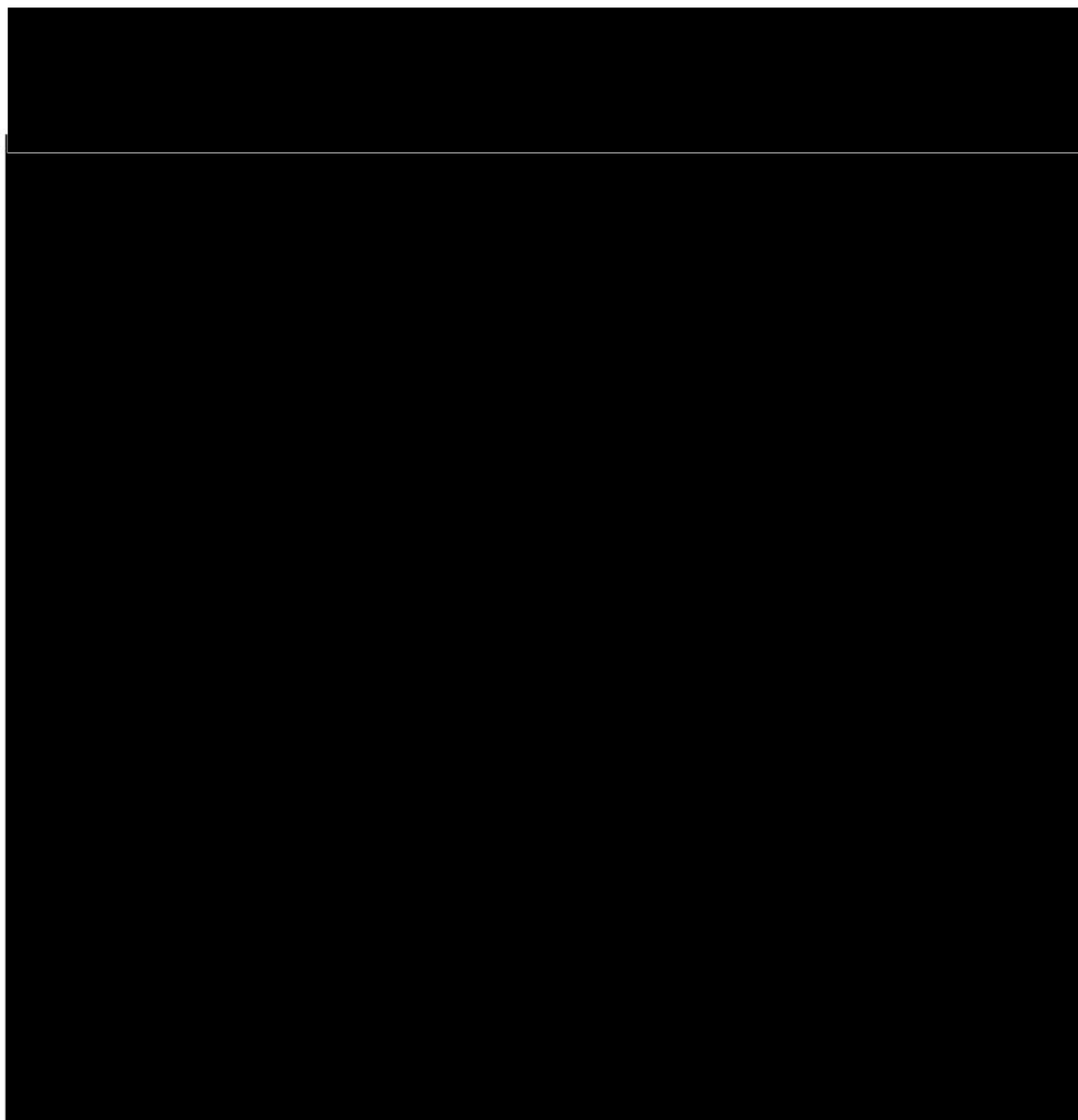
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6.15 Annex O – Risk Identification and Mitigation



ODA Risk Appetite

Risk Type		Risk Appetite	
		Portfolio	Programme
Contextual	in-country Socio-political events or unrest, or natural disasters.	Moderate	Major
Delivery	associated with achieving the aims and objectives of the project.	Moderate	Major
Safeguarding	'doing harm' incl. sexual exploitation abuse and harassment.	Minor	Minor

¹⁰² Likelihood: Almost certain (>80%), Likely (>50%<80%), Possible (>20%<50%), Unlikely (>5%<20%), Rare (<5%)

Operational	HMG's capacity and capability to manage the programme.	Minor	Minor
Fiduciary	funds not used for intended purposes or not accounted for.	Minor	Minor
Reputational	interventions or delivery partners' actions risk HMG reputation.	Minor	Minor

Risk Identification and Mitigation Framework

Risk Type	Indicative High-Level Risks	Impact	Probability ¹⁰³	Gross Risk	Mitigation	Residual Risk
Contextual	<p>Risk of operating in politically volatile, economically unstable and environmentally vulnerable (e.g. natural disasters) contexts or experiencing unexpected or unforeseen events</p> <p>██████████</p> <p>██████████████████</p>	Major	Low	Moderate	<p><i>Reduce:</i> Political, security and meteorological assessments conducted where appropriate to inform decisions and project risk frameworks. Ongoing engagement and analysis to monitor of risk, with FCDO, Fund Manager and Defra support.</p>	Minor
Delivery	<p>Risk of challenging environments, implementing a portfolio of often novel activities.</p> <p>Risk of Covid-19 impacting forecasting/ future activities or the capacity to maintain plans.</p> <p>Risk of some Overseas Territories being unsuccessful at application stage due to lack of experience/capacity</p>	Major	Likely	Severe	<p><i>Transfer and Reduce:</i> Fund Manager sets clear forecasts, reporting and monitoring. Clear guidance on change requests and quarterly payment processes supports adaptive delivery.</p> <p>Projects will be assessed on financial risks, forecasting, and demonstrate experience of successfully working in such environments.</p> <p>Ongoing engagement and analysis to monitor of risk, with FCDO, Fund Manager and Defra to support projects affected.</p> <p>Darwin Plus Local will support capacity building and facilitate grant higher quality applications to Darwin Plus Main and Strategic</p>	Major
Safeguarding	<p>Risk of programme or partner staff doing harm or not reporting incidences of sexual exploitation, abuse, harassment or bullying.</p>	Severe	Possible	Severe	<p><i>Reduce:</i> Maintain, via the Fund Manager, close oversight and due diligence of activities across portfolio, providing training and advice to delivery partners, requiring a robust safeguarding policy in place including systems to enable reporting and support whistle-blowers.</p>	Minor

¹⁰³ Likelihood: Almost certain (>80%), Likely (>50%<80%), Possible (>20%<50%), Unlikely (>5%<20%), Rare (<5%)

Operational	<p>Risk of Covid-19 impacting HMG's capacity</p> <p>Risk of complexity in Fund's management structure</p> <p>Risk of established projects being difficult to stop quickly</p> <p>Risk of ODA-eligible OTs graduating out of the ODA list and in-progress projects no longer eligible for ODA funding.</p> <p>Risk of overspend</p>	Moderate	Possible	<p><i>Share</i>: Strong governance with clear ToRs, comprehensive documentation of processes, manage vacancy rate and reduced complexity of funds.</p> <p>Closely monitor quarterly reports to inform whether to stop projects/challenge funding. Include provisions in grant agreements to dictate process by which funding can be withdrawn.</p> <p>Ongoing engagement and analysis to monitor of risk of ODA graduation and working with FCDO, Fund Manager and Defra ODA Hub to ensure a smooth transition for any projects affected.</p> <p>Ensure deadline for Change Requests to move project funds to later FYs is several months <i>before</i> award from next funding round, to ensure overprogramming and overspend does not happen.</p>	Minor
Fiduciary	<p>Risk of a project's funds being misappropriated for non-programme usage.</p> <p>Risk of poor financial management</p>	Major	Possible	<p><i>Reduce</i>: Fund Manager will manage and mitigate risk associated with the delivery partners, through enhanced due diligence, spot checks, reporting frameworks, audits and checks conducted prior to grant instalments being transferred.</p> <p>Disbursement practices enable close monitoring and the ability to halt expenditure, reducing the potential for misuse of funds.</p>	Minor
Reputational	<p>HMG invests in poor quality projects/implementers</p> <p>Risk of interventions going wrong/causing harm, or delivery partners acting in a way that causes reputational harm to HMG</p> <p>Risk of negative media coverage of unsuccessful projects and/or of projects in OTs with relatively high GDP</p>	Major	Possible	<p><i>Reduce</i>: Delivery Partners competitively selected against rigorous technical and financial criteria with independent assessment will help ensures projects meet delivery, quality and strategic objectives.</p> <p>Reporting frameworks, due diligence and spot check conducted by the Fund Manager.</p> <p>Ongoing engagement and analysis to monitor negative media coverage, working with FCDO and Defra Comms and Media teams to ensure defensive lines are available.</p>	Minor

6.16 Annex P – Defra Resource Costs and Programme Structures

FTE staff costs (GBP, £ including VAT and NI)¹⁰⁴

Grade	Salary (based on London average)	IT	SSLC	General Overheads	Estates (based on London Marsham Street)	Total	FTE	Total (£)
G7	75,216	2,178.64	237.12	10,756.38	13,353.11	101,741.25	0.2	20,348.25
SEO	56,826	2,178.64	237.12	10,756.38	13,353.11	83,351.25	0.3	25,005.38
HEO	46,415	2,178.64	237.12	10,756.38	13,353.11	72,940.25	1.0	72,940.25
G6	88,645	2,178.64	237.12	10,756.38	13,353.11	115,170.25	0.1	11,517.03
TOTAL							Baseline	129,810.91

Figure 1: Governance Structure.

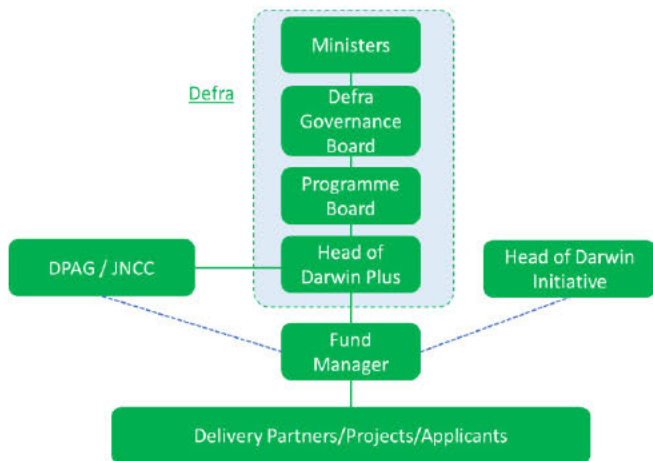
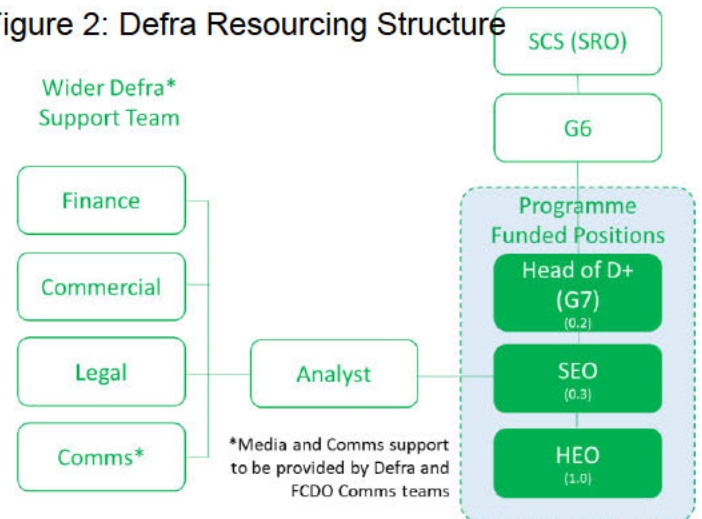


Figure 2: Defra Resourcing Structure



104 See: [Calculating Staff costs – ready reckoner | Defra Intranet](#) (Last accessed 29/11/2021)

6.17 Annex Q – 2022/23 Delivery Plan

Delivery Plan for 2022/23

Timeline	Darwin+ Local	Darwin+ Main	Darwin+ Strategic
January 2022	Determine scope with JNCC for Overseas Territory Biodiversity Strategy's (OTBS) and Implementation Plan (IP) project's that will be local and specific for each OT.		
February 2022	Scheme and application design finalised with Defra and JNCC Programme board agrees OTBS and IP project plans	Programme board meets and successful projects selected	N/A
FY 2022/23			
April 2022	JNCC and Defra design one-stage application and evaluation processes	Successful projects (applied for during previous Business Cycle) begin	
June 2022	OTBS and IP projects in-person workshops begin		
Late summer 2022	Scheme design finalised with Defra and JNCC	Round 11 launches and invites applicants for Stage 1	Round 11 launches and invites preliminary applicants (for 23/24)
October 2022	JNCC launches Darwin+ Local and invites applicants OTBS and IP projects – drafting begins	Stage 1 closes and DPAG reviews applications	Stage 1 closes and DPAG reviews preliminary applications
November 2022	Applications reviewed and awarded on ongoing basis	Stage 1 outcomes released	Stage 1 outcomes released
January 2023	Applications reviewed and awarded on ongoing basis	Stage 2 closes and DPAG reviews applications	Stage 2 closes and DPAG reviews preliminary applications
February 2023	Applications reviewed and awarded on ongoing basis	Programme board meets and successful projects selected	Programme board meets and projects discussed
April 2023	Applications reviewed and awarded on ongoing basis Outcome of OTBS and IP project exercises circulated	Successful projects begin	Feedback given for re-application in 23/24

Critical Path to Day One Readiness

While Darwin Plus is established and its current and next funding rounds ongoing, below we note the Critical Path to Day One Readiness to account for this Business Case, and to support the Delivery Plan for 2022/23, also below.

Date (2022)	Milestone
Late January/Early February	Finalise soft market testing exercise carried out together with Defra Commercial. As per Annex N above, this exercise is to provide a further test that our proposed option (direct award to JNCC) remains the best one. In the small possibility that we need to choose an alternative route, there is flex in the schedule and Defra Commercial indicate that there will be minimal impact on schedule to approval.
13 January – 2 February	Red Team Review process
3 February – 23 February	ODA Board Clearance (including Board review, programme team response and Chair's clearance)
23 February – 2 March	Investment Committee
March	Defra Policy, Defra Group Commercial, and JNCC to develop Local Tier Delivery Contract.
March (exact date TBC)	Ministerial clearance <i>Note: the Minister of State has good working knowledge of the programme, and has approved the development of this business case.</i> <i>Note: Secretary of State's Private Office wishes to be kept informed for information, but does not need to approve the Business Case</i> <i>Note: HMT have examined an earlier version of the Business Case and are content not to undertake formal clearance. They wish to be kept updated on clearance process.</i>

6.18 Annex R – Benefits Realisation Strategy

Benefits realisation responsibilities: overview for each delivery partner

Key Area	Defra	Darwin Plus Advisory Group	Fund Manager	Delivery Partners
Grantee Selection	Oversees overall benefits realisation at programme level and takes programme-level benefits into consideration at Programme Board.	Assesses applications, including benefits realisation, and recommends proposals based on merit for funding. Reviews project level MEL plans and logframes.	Assesses applicants MEL strategy, including benefits monitoring	Plan and model potential project benefits in application (particularly in logframe)
Project level monitoring and reporting	Reviews annual synthesis report to ensure benefits realisation on track.	Receives annual synthesis report, and makes recommendations to Defra on benefits realisation.	Tracks benefits. Assesses and scores project reviews, including benefits. Synthesises a project-level portfolio review.	Reports benefits against the agreed project-level MEL framework.
Programme level monitoring and reporting	Reviews and publishes logframe, including benefits realisation. Reviews and publishes Fund Manager's programme level Annual and end of Business Cycle reports. Discusses benefits realisation at twice yearly Programme Board, and, if necessary, at extraordinary meetings.	Reviews programme level report and programme logframes.	Compiles project data into programme-level report. Updates programme logframe, including benefits realisation. Reports quarterly, annually and end of Business Case cycle.	

6.19 Annex S – Benefits Realisation Map Example

