DFID Department for International Development

A DFID practice paper

How to note

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Reviewing and Scoring Projects

Introduction

This guidance is to help DFID staff, project partners and other stakeholders use the scoring system and complete the latest templates when undertaking an Annual Review (AR) or Project Completion Review (PCR - but formerly known as Project Completion Report)) for projects due for review **from January 2012**. This guidance applies to all funding types however separate templates are available for core contributions to multilateral organisations. The guidance does not attempt to cover in detail how to organise the review process, although some help is provided. Enquiries relating to this guidance should be addressed to the FCPD Service Desk.

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Principal changes from previous templates

1. The new project scoring system measures **actual achievement of expected results** rather than the *likelihood of achievement* in the future.
2. A new 5 point scale has been introduced to allow for both over and under achievement.
3. At the Annual Review (AR) achievement against the Outputs will be scored alongside an assessment (but not a score) of the Outcome. At the Project Completion Review (PCR) stage achievement against both the Outputs and the Outcome will be scored.
4. A new section on Evidence will revisit the evidence base for each step of the results chain.
5. A new Value for Money assessment has been introduced.
6. The Risk Assessment has been strengthened to include a section on funds not being used as intended.
7. Because all AR's and PCR's are published, the format has been improved with a view to providing relevant information clearly to the general public.
8. The templates have been simplified where possible, including the removal of the option to complete a Summary Review when delaying an Annual Review.
9. The latest templates are now in Word, rather than Excel which most users found unhelpful and not user friendly. The templates can be found on Moneysight and in the Word Templates Repository
10. A brief Intervention Summary / Project Completion Review template has been introduced to enable greater transparency for those low value projects (below £1m) due for completion from 2012 that were approved prior to the introduction of the new Business Case format.
11. When you start using the templates you will need information obtained from ARIES or the logframe. How much you need to draw on will depend on the number of project Outputs and Indicators. Once the review has been completed, key information will need to be entered into ARIES.

Introduction

Regular and effective monitoring, reviewing and lesson learning are key to how DFID measures the Results of its projects and demonstrates Value for Money (VfM). How we review our projects, including our approach to project scoring, is important since it allows us to establish progress against planned Outputs in an objective and transparent way.

Fundamental to our approach to monitoring is the setting - at project design stage - of realistic results we actually ***expect to achieve*** through the project. The new Business Case for all new DFID interventions underpins this approach. Annual scoring now measures what we actually achieved over the last year, compared to what we expected to achieve.

Previously, projects have been reviewed and scored against two parameters: the ***likelihood*** that the Outputs and Purpose (Outcome) of the project will be achieved and the level of risk which threatens the achievement of this success. However Portfolio Quality statistics show that only 15% of projects had Outputs and an Outcome that, when reviewed, are 'likely to be completely achieved'. This means that we are either (i) underperforming in achievement of project deliverables or (ii) setting the 'bar' too high at project design stage. If unrealistic targets are being set it makes it more difficult to appraise project progress throughout the life of the project or assess Value for Money accurately at approval stage. We will more than likely struggle to achieve milestone performance targets, suggesting poor project performance when in fact this may not be the case, as well as reducing the potential for effective risk management.

What is changing?

The arrangements and templates being introduced from January 2012 will provide a much better understanding of the results DFID is achieving, the costs and risks to achievement and whether we are securing Value for Money for our spend, in a more transparent way than ever before. Key changes include:

- A focus on actual achievement of expected results rather than the *likelihood of achievement* in the future. The general consensus across DFID suggests that many projects adopt targets that are aspirational. However it is important that the Outcome, and the Outputs, identified in the project logframe are set at a level which allows a clear link to be made between DFID activity and change at these levels. The Business Case guidance emphasises that planned results should be those *expected* to be delivered by the project.

- A new 5 point rating scale to allow for both over and under achievement to be assessed. At the Annual Review (AR) achievement against the Outputs will be scored alongside an assessment (but not a score) of the Outcome. At the Project Completion Review (PCR) stage achievement against both the Outputs and the Outcome will be scored using the new rating scale.
- A section on costs to compare financial forecasts against actual costs and timescales. The review also revisits the cost drivers included in the Business Case. Cost drivers may include the distribution of costs over time and/or the breakdown elements of the costs which affect the overall price of the goods or the service.
- A section on Evidence and Evaluation to revisit the evidence base and consider whether there are any changes in the available evidence and whether this challenges the project design or rationale. Where an evaluation is planned an update on progress is required.
- A strengthened Risk Assessment to consider whether additional checks and controls are required to ensure that funds are used as intended. An update on climate and environment risk is also included.
- A new Value for Money (VfM) assessment. The VfM assessment will take into consideration the conclusions reached in the review about Results, Costs, Evidence, Risks and specific VfM measures which all contribute to the

assessment as to whether the project is on track to deliver Value for Money. In undertaking this assessment you should refer to and review the VfM measures, trigger points or assumptions identified in the Business Case or earlier Project Documentation including progress against timescales and costs. Where a project is assessed as **not delivering VfM**, approval to continue to fund the project once corrective measures have been considered, must be taken at the same level as the original approval and at least at **Head of Department** level.

What does it involve?

In DFID, the formal process of monitoring a project is undertaken through Annual Reviews, and terminates in a Project Completion Review (PCR). The process is **mandatory** for **all** projects approved since January 2011. Prior to this only those projects above the threshold of £1m were subject to mandatory reviews. In reality, projects are monitored much more frequently, both through formal meetings and reports, and through informal exchanges.

The table below outlines an approach to project monitoring using the DFID Annual Review and PCR system. Note that it removes the need for projects of between 12 and 15 months' duration to undertake a separate Annual Review and PCR. The level of detail in an AR or PCR will be influenced by the size of the intervention and its duration. A proportionate review is one which provides sufficient information to the reader to determine whether the results are on track, whether the project represents Value for Money and what, if any, corrective action needs to be undertaken.

Project spend	Project duration	Annual Review	Project Completion Review
All values	15 months or less	Not required unless the project is extended	Mandatory
All values	More than 15 months	Mandatory	Mandatory
Below £1m and project approved prior to January 2011	More than 12 months	Can seek exemption	Mandatory to complete brief Intervention Summary / PCR (see specific format)

Each Business Case should contain a **Monitoring Strategy.** Data for monitoring should be collected at the start of the project (baseline), at various intervals during the project (milestones) and at the end of the project (target). The monitoring strategy should also be clearly linked to the theory of change and the strength of evidence in the Appraisal Case of the Business Case.

A good Monitoring Strategy will provide a strong basis for assessing the Impact, Outcome and the Outputs of the project or programme and will help with the assessment of Value for Money. Importantly, the monitoring and evaluation data should be disaggregated wherever possible to effectively track results for girls and women (i.e. by gender and age) and for the poorest and most vulnerable (i.e. by income quintile and defined vulnerable groups where relevant).

The Monitoring Strategy will be closely linked to the development of a robust, measurable logframe. The logframe is essential in supporting the Annual Review and Project Completion Review process and the increased emphasis on direct comparison of planned and achieved results. Monitoring should therefore not be considered in isolation, but as an integral part of the design, implementation and evaluation of a project or programme. Further guidance on logframes (including the setting of baselines, milestones, targets and the use of indicators) can be found in the How to Note 'Guidance on using the revised Logical Framework'.

Monitoring and evaluation processes should complement each other and share resources and thinking. There is often inconsistency between the programme logframe and the theory of change; both are required and should follow the same logic and thinking rather than be developed and written separately. Although different tools are used for different purposes they should be developed in parallel, for example the theory of change should explain the change process and map out the causal links through which it is expected that inputs and assumptions underpinning the intervention will be translated into outputs, outcomes and impacts. The theory of change should also cite the evidence (or lack of it) relating to each causal link.

Evaluation evidence where available should feature in both annual and project completion reviews and vice versa. It is important to plan things so that data collection and surveys for baseline data, analytical work for theory of change and development of indicators can be utilised for both future monitoring and evaluation processes to avoid duplication of effort. However, it is important to recognise that a PCR is a monitoring tool and doing a different job to an evaluation. There is no need to wait for an evaluation to be completed before completing the PCR. Essentially they answer different questions and produce different results; monitoring checks progress against pre-defined outputs and outcomes on a continuous basis whereas evaluation is an impartial and independent assessment of what the intervention did, what happened as a result and why.

Further guidance on the development of monitoring and evaluation plans and the distinction between the two can be found in the Business Case HTN and Evaluation Handbook.

Using the logframe as a monitoring tool

A logframe should be prepared for all newly approved projects. The logframe will have been developed alongside the Business Case and will reflect the results and Value for Money assessed at project design/approval. As with the Business Case it will be published routinely as part of agreed transparency commitments. The logframe should clearly outline the relationship between all Outputs, and the Outcome and Impact. The DFID logframe will set out the delivery trajectory for the project i.e. setting appropriate baselines and expected milestones and targets. Delivery trajectories should follow detailed consideration of available evidence, a theory of change approach, feasibility of delivery, and identification of appropriate indicators from which to assess progress throughout the life of the project.

The Annual Review and PCR process requires more than a simple exercise in ticking off progress against the contents of the logframe; it also involves revisiting the logframe to test the assumptions that link:

a) Indicators and Outputs (Would changes in these Indicators still demonstrate that the Output was being realised?)

b) Outputs and the Outcome (If the Outputs are realised, will the Outcome be achieved?)

c) The Outcome and the Impact (How will realising the Outcome contribute to achieving the Impact?)

In this part of the process, project partners are asked to consider the degree to which any Assumptions and Risks have been realised; what the effect of that has been; whether any new Assumptions or Risks need to be allowed for; whether there are any new Risks that threaten the successful delivery of the project's objectives; and what might need to change in terms of project management or approach to accommodate or mitigate them.

If you don't have a logframe

If your project uses a partner's performance management framework, or some other equivalent, you must still be able to identify a clear project Outcome and the specific Outputs. If not done already, at the first Annual Review you will have to decide what Impact Weighting and Risk Rating to give each Output, since ARIES uses this information to calculate the overall Output and Risk scores.

Assessing the evidence base

Evidence plays a critical role in project design and decision making. In the Business Case this includes justifying the need for the intervention as well as demonstrating why the proposed intervention will work. The Results Chain and logframe for the project explicitly setting out the results to be achieved will have been informed by evidence. The assessment of the evidence base at project design will influence your approach to monitoring and evaluation. For example a **strong evidence base** will indicate very clear evidence of impact and might therefore be able to proceed with light or moderate monitoring, including the ongoing assessment of the initial evidence base. On the other hand where the evidence base is **weak, indirect or missing** the project will be seen as an innovation and the Monitoring Plan and Evaluation Plan should describe in detail the proposed approach to monitoring and evaluation. When undertaking a project review it is important to understand how well the intervention is working by reference to the **evidence of impact**. You should revisit the evidence base to consider its strength, in terms of the availability/quality of the evidence from which to assess progress and performance. You should also consider whether new or other evidence that has become available will strengthen the assumption that the delivery of the Outputs will directly contribute towards achievement of the Outcome.

The Scoring System

A 5-point scoring system is used. The opportunity to use an X rating at the AR stage, and not to score a project, no longer applies given the change of emphasis to actual achievement of expected results and improvements in logframe design. In most

cases it should be possible to make a judgement against the output milestones including, in the first year of a project, any lower level activity milestones where appropriate. As previously indicated, the new system focuses on **actual achievement of expected results** rather than the *likelihood of achievement* in the future.

In deciding how to score each Output in a Review you should ask yourself:

"are the results achieved to date those expected in the logframe, and if not why not".

Score	Output Description	Outcome Description
A++	Outputs substantially exceeded expectation	Outcome substantially exceeded expectation
A+	Outputs moderately exceeded expectation	Outcome moderately exceeded expectation
A	Outputs met expectation	Outcome met expectation
B	Outputs moderately did not meet expectation	Outcome moderately did not meet expectation
C	Outputs substantially did not meet expectation	Outcome substantially did not meet expectation

Updating ARIES

Before undertaking an AR or PCR, the Project Officer should ensure that project data shown in ARIES is complete and up to date. The task of entering or updating project information is the responsibility of the designated Inputter.

Transparency and Publishing AR's and PCR's.

Transparency is a major Government initiative which touches everything we do in DFID. From the projects we fund, to the money we spend, to the salaries and expenses we pay our people. This means everything you write, and all the decisions you take (projects, procurement and spend) could be available to public scrutiny. This increased transparency will provide greater visibility of our work, make us more accountable, and make our information easier to locate.

What does this mean for publishing reviews?

DFID now publishes a range of project documents including all Annual Reviews, Project Completion Reviews and logframes. This means that you should think transparency every time you type and write your reviews. It's **vital** that all documents that are to be published are completed correctly; this includes **ensuring** you have a meaningful and understandable project title, spelling and grammar are correct and that documents do **NOT** contain any **personal or sensitive details.** Reviews should be undertaken in a frank and honest way. In those few instances where our assessment strays into sensitive areas and it proves impossible to go into sufficient detail in the Review Template for example, relating to further management actions or recommendations, such details could be included in a separate submission to senior

managers for consideration. Whilst such submissions are not routinely published as part of our transparency commitments, you should note that they may well have to be released in response to a Freedom of Information request.

The process of publication is automated through ARIES and QUEST, but this relies on documents being classified and stored correctly. The process is mandatory and it is the responsibility of project approvers to ensure it has been done correctly. If the process below is not followed exactly, the Annual Review or Project Completion Review will not be published.

Make sure that project titles and descriptions in ARIES are clear and concise and outline the intended benefits in a way that the public will understand. Poorly drafted or misleading descriptions can damage DFID's reputation. Ensure the Annual Review and Project Completion Review is saved correctly to QUEST. A project folder is automatically generated when the ARIES record is created. Go to level "03 Policies, programmes and projects", then to "Manage programmes and projects", find your department, and open "Live programmes and projects", where the relevant folder will be displayed. You must save all relevant review documents to this folder with the right metadata:

- Content type must be "Annual Review, Project Completion Review or Intervention/PCR Summary" (see following section)
- Copyright declaration must be one of the following as appropriate:

  'Written by DFID Staff'
  'Written by Other UK Government Department'
  'Written Externally - Permission Obtained'

Finally, declare the document as a record in the Quest folder. If the document is attached to an email, the publishing process will not work – please save only the relevant Word document.

Transparency of projects under £1m that were approved prior to January 2011

In keeping with our transparency commitments all low value projects lasting more than 12 months duration, and approved prior to the introduction of the new Business Case, will now undergo a streamlined PCR process. All projects of under £1m that were approved prior to January 2011, that are due to finish after January 2012, will require a project intervention summary and brief assessment of performance at project completion. Project Officers will need to identify such cases within their own project portfolio, drawing on ARIES data, and undertake the review using the template available on Moneysight and in Word Office Directory Templates.

Multilateral Core Contributions

International divisions should use the separate Annual Review and Project Completion Review templates for core contributions to multilateral organisations.

The assessments of progress in these reviews will be an important source of evidence on multilateral performance for the 2013 MAR update.

The overall structure of the multilateral core contributions template is consistent with the main project-based template including the quantitative information required. The sections on results, risk, procurement systems and Value for Money are all present, and the scoring process is the same. This alignment reflects the need for DFID's multilateral spend to be subject to the same level of scrutiny as the bilateral programme. The main difference is terminology used and a fuller section on evidence related to performance.

The use of multilateral templates is restricted to core contributions. Non-core multilateral funding – including funding of multi-bilateral programmes – must be assessed using the main project-based templates.

Filling in the templates

Before commencing the review and filling out the templates you should have to hand:

- the Business Case or earlier project documentation.
- the Logframe,
- this How to Note on project scoring,
- the most recent Annual Review (where appropriate) and other related monitoring reports.
- key data from ARIES, including the risk rating,
- the separate project scoring calculation sheet (pending access to ARIES)

ARIES will calculate the overall output score taking account of the weightings and individual outputs scores that are assessed in the review. To help reviewers who do not have direct access to ARIES at the time of completing the review, a separate project scoring calculation sheet is available in Excel.

The template accommodates up to 4 Outputs. If the project has more than 4 Outputs simply copy and paste additional Output boxes to the template. Remember that the maximum number that can be accommodated on ARIES is 10 Outputs. The DFID How To Note on using the revised logical framework suggests a maximum of six Outputs each with a max of three Indicators, but an earlier PCR Synthesis Report suggests that even this maximum amount might be "too many pieces of information for PCR scoring purposes".

Guidance on the template contents

The Annual Review and Project Completion Review templates are very similar in format. Key differences as to their contents at the PCR stage have been highlighted *in blue italic* in the guidance below. Remember specific templates are used when undertaking a review for a multilateral core contribution.

FIELD NAME	REQUIREMENTS AND CONTENTS
Project Title, Date project started and review undertaken.	To be consistent with that shown on ARIES, and should match the Project Description in the logframe
Introduction and Context	
What support is the UK providing?	Draw on the Intervention Summary and ensure that where support has changed from that outlined in the original project memorandum or Business Case ensure this section reflects those changes.
What are the expected Results?	Draw on the Intervention Summary set out the expected results, including the Outcome and Impact. Ensure these match those in the logframe
Why is the context in which UK support provided?	Draw on the Intervention Summary. Where the context supporting the intervention has changed from that outlined in the original project memorandum or Business Case, explain what this will mean for UK support.
Note the PCR asks the same questions as the AR under Introduction and Context but with reference to the past sense, ie what support did the UK provide etc.	
Section A: Detailed Output Scoring	
Output 1 Score and performance description.	Using the rating scale assess whether actual results achieved to date meet those expected, drawing on the milestones, targets and indicators in the logframe. Enter a rating using the rating scale A++ to C. The opportunity to use an X rating at the AR stage, and not to score a project output, no longer applies given the change of emphasis to actual achievement of expected results and improvements in logframes. In most cases therefore it should be possible to make a judgement against output milestones, including in the first year of a project any lower level activity milestones where appropriate.
Progress against expected results	Provide a short narrative summarising output 1 progress against expected results. This should assess performance as measured by the specific output indicators included in the logframe against the relevant milestones. You should set out exactly what was expected to be achieved and what was actually achieved. .
Recommendations	Summarise any management recommendations for future action relating to this Output including whether and how the Output, including future milestones and the overall target, requires adjustment following this review.

The PCR calls for progress against final results.	*Provide a short narrative summarising Output 1 performance, assessing progress measuresd against the specific Output indicators in the logframe against the overall Targets. You should set out exactly what was expected to be achieved against what was actually achieved. Where we failed to achieve the Output explain why.*
Impact Weighting (%) Revised since last Annual Review (Y/N).	Enter the %age number which cannot be less than 10%. The figure here should match the Impact Weight currently shown on the logframe (and which will need to be entered on ARIES as part of loading the Annual Review for approval). **Note**: amending one Impact Weight will mean amending the Weight applied to other Outputs so that the total is still 100%. Has the Impact Weight for this Output been revised since the last review (or since inception, if this is the first review) Y/N? If Y explain why. **Note**: If the review identifies the need for revision, you may need to make a Recommendation or set up an Action Point to ensure this is done.
Risk Rating: Low/Medium/High Revised since last review?	Enter Low, Medium or High The Risk Rating here should match the Risk currently shown on the logframe (and which will need to be entered on ARIES as part of loading the Annual Review for approval). Where the Risk for this Output been revised since the last review (or since inception, if this is the first review) or if the review identifies that it needs revision explain why, referring to section B Risk Assessment. **Note**: If the review identifies the need for revision, you may need to make a Recommendation or set up an Action Point to ensure this is done.
Repeat above for each Output.	

Section B: Results and Value for Money

1. Results

1. Progress and Results *The PCR refers to achievement and results.*	
1.1 Has the logframe been	Answer the questions and if yes provide an explanation of the

changed since the last review?	changes.
1.2 Overall Output Score and Description *The PCR refers to Final Output Score and Description.*	This is automatically calculated in ARIES and the separate Excel project scoring calculation sheet using the new rating scale. This takes into account the individual Output ratings shown in Section A above and the relevant impact weights for each Output.
1.3 Direct feedback from beneficiaries.	What direct feedback have you collected from beneficiaries about results and what does this tell us about the project's performance.
1.4 Summary of overall progress	You should provide a short summary of progress against the milestones and results achieved that were expected as at the time of this review. Consider both the results achieved in the last 12 months, and where appropriate since the last Annual Review, as well as over the lifetime of the project.
1.4 The PCR refers to Overall Outcome Score and description	*Based on a comparison of planned and achieved Outcome-level results, score the project against achievement of the intended Outcome using the rating scale.* *The score is manually assessed, unlike the overall Output score which is calculated automatically in ARIES.* *Provide a short summary of the results achieved over the lifetime of the project. This should assess whether the Outputs and Outcome have been achieved against those planned. The assessment should draw out any specific performance issues in relation to **gender and age**. If actual results, timescales or costs did not achieve those planned, particularly where they were notably different, this should be factored into the final Value for Money assessment.*
1.5 PCR – Impact and sustainability	*What do the results and the evidence base tell us about progress towards achieving the Impact? Comment on the likelihood of the benefits arising from this project being sustained beyond the end of project, and any challenges to sustainability. What lessons have we learned about what went particularly well, including lessons that will affect future project design.*
1.5 Key challenges	You are asked to highlight any key challenges (including emerging ones) to achievement of the overall results and respond to any challenges highlighted in the last Review.
1.6 Annual Outcome Assessment	Based on available evidence, including comparison of planned and achieved milestones/results and assessment of the theory of change assumptions, provide a brief assessment of whether we expect to achieve the project Outcome. Where this looks unlikely summarise any management actions for

	recommendation.
2. Costs and timescales	
2.1 Is the project on-track against financial forecasts: Y/N	You should compare the costs incurred to date against financial forecasts. What is the forecasting record and how do financial forecasts compare to actual expenditure? Also consider our best estimate of future costs against the current approved budget and forecasting profile. If costs are off track provide an explanation including any remedial action required. Bear in mind that cost underspends as well as cost overspends are equally important since both are likely to directly impact on the expected results and Value for Money.
2.1 PCR asks "was the project completed within budget / expected costs: Y/N	*Where the project was not completed within the expected costs provide an explanation and what effect this had on the overall results and Value for Money. Bear in mind that cost under spends as well as cost overspends are equally important since both are likely to directly impact on the expected results and Value for Money.*
2.2 Key cost drivers	You should refer to and review the specific costs and cost drivers identified in your Business Case or earlier project documents, including those relating to procurement. Describe the cost drivers used to help assess the costs when the project was approved and where there have been any changes from those identified in previous reviews or at project approval explain why these have changed. If you previously identified any trigger points for re-evaluating the cost drivers you should refer to these in this section.
2.3 Is the project on track against the original timescale: Y/N	You should compare actual progress against the approved timescales in the Business Case or funding submission. If timescales are off track provide an explanation including what this means for the cost of the project and any remedial action.
2.3 PCR – was the project completed within the expected timescales : Y/N	*Where timescales were not met provide an explanation including what this meant for the overall cost of the project.*
3. Evidence and Evaluation	
3.1 Assess any changes in evidence and implications for the project	You should consider: How is the Theory of Change and the assumptions used in the project design working out in practice in this project? Are

	modifications to the project design required? Is there any new evidence available which challenges the project design or rationale? How does the evidence from the implementation of this project contribute to the wider evidence base? How is evidence disaggregated by sex and age, and by other variables?
3.1 PCR – Assess any changes in evidence and what this meant for the project.	*This assessment should revisit the evidence base and the Theory of Change to consider their strength, in terms of:* *Did any new evidence change the project design or rationale?* *How did the Theory of Change and the assumptions used in the project design work out in practice in this project? Were any modifications needed?* *How did the evidence from the implementation of this project contribute to the evidence base? How was evidence disaggregated by sex and age, and by other variables?*
3.2 Evaluation	Where an evaluation is planned set out what progress has been made.
3.2 PCR – Set out what plans are in place for an evaluation.	*What kind of evaluation is planned? When will the evaluation be completed and published? How (or where) will the findings of the evaluation be used?* *If an evaluation has already taken place, set out the findings and provide a link to the report.*
4. Risks	
4.1 Output Risk Rating: L/M/H *The PCR requires you to comment on whether and why the risk rating changed over the life of the project.*	Enter Low, Medium or High. This should be taken from the overall Output risk score calculated in ARIES. This risk score should reflect risks that threaten the successful delivery of the projects results as measured by the specific Outputs.
4.2 Assessment of the risk level	Risk assessment should be continually reviewed. Set out and review the key risks that affect the successful delivery of the expected results. Summarise the finding of this review including any different or new mitigating actions that will be required to address these risks and whether the existing mitigating actions are directly addressing the identifiable risks.

4.2 PCR – Risk funds not used for purposes intended.	*Describe the information you have that can confirm that the funds were used for their intended purposes. This may include financial management reports, special audits, audited statements or other information.*
4.3 Risk of funds not being used as intended.	Summarise whether any additional checks and controls are required to ensure that UK funds are not lost, for example to fraud or corruption. Describe the information you have that can confirm that there has been no identifiable financial loss and that payment schedules do not provide funds in advance of need.
4.4 Climate and Environment Risk	Drawing on the Business Case and other information, summarise what are the potential impacts of the project (positive and/or negative) on carbon emissions/the wider environment. Explain how you are minimising and mitigating negative impacts. Explain how you are maximising positive impacts. Explain what changes you need to make to the project to respond to any new evidence of changing weather patterns.
4.3 PCR – Climate and Environment Impact.	*You should refer to and review the climate change and environment category in the Business Case and where this has changed from those identified in previous reviews or the approved intervention explain why and what effect this had on the overall outcome. You may like to look at how the project helped people adapt to climate variability; and the steps that were taken to build resilience.* *You should consider whether changing weather patterns made it harder for the project to deliver results and identify whether any changes to project design maximised results.*
5. Value for Money	
5.1 Performance on VfM Measures	Refer to the VfM measures in the Appraisal Case of the Business Case. Set out and review performance on these measures and any trigger points that were identified to track through Annual Reviews and the Project Completion Review.

	Assess whether the measures need to change or additional measures are needed and explain why.
5.1 – PCR Performance on VfM Measures.	*Refer to the VfM measures in the Appraisal Case of the Business Case. Set out and review performance on these measures and any trigger points that were identified to track through reviews including the Project Completion Review. Comment on whether the measures changed including whether additional measures were required and if so explain why.*
5.2 Commercial improvement and Value for Money.	Describe how competition and effective commercial practice is being used to drive improved Value for Money? Key points to consider include: For Direct spend awarded in contracts directly from DFID How competitive is the supply market for the services being provided? Was there strong market response in the tender for the contract? Details for additional value secured from the tendering and negotiation How is competitive tension being maintained through the supplier's delivery of the contract (e.g. break clauses and/or performance incentives / payment by results in contract) Future planning: Are there any plans to scale spending up or down based on performance? Is there flexibility to do this? How will this be negotiated and managed in a way which maximises VfM/impact? For Indirect spend delivered via partner funding: Say what the partner is doing to improve their internal cost management. Summarise the procurement performance of the partner i.e. How do they ensure they obtain VfM when spending DFID funds? Say what the partner is doing to improve their own procurement/commercial capacity and capability Say what pressure DFID has applied to support/drive reform to improve VfM in the partner
5.2 PCR - Commercial Improvement and Value for Money.	*Describe how competition and effective commercial practice was used to drive improved Value for Money?* *Highlight any major changes in approach and how these ensured Value for Money.*

5.3 Role of Project Partners	Comment on the overall performance of any implementing partner and the delivery of Value for Money. Refer to indicators used to measure performance in the logframe as well as indicators that specifically measure the partners VfM.
5.4 Does the project still represent Value for Money: Y/N	Taking into account the assessment of results, evidence, the theory of change, risks, costs and the other VfM performance measures in this section, provide a short narrative on whether the project still represents Value for Money
5.4 PCR - Did the project represent Value for Money: Y/N	*Taking into account the assessment of results, evidence, the theory of change, risks, costs and the other VfM performance measures in this section, provide a short narrative on whether the project represents Value for Money* *If No, what corrective action was taken and why did this not achieve any improvement in Value for Money.*
5.5 If not, what action will you take?	You need to decide whether to stop the project or submit for re-approval. What are the prospects for corrective action? Should the project be stopped or significantly redesigned. Where the project is not thought to be delivery VfM, and will continue following re-design, the decision to continue funding / re-approval must be given at the same level as the original approval and **at least at Head of Department level**.

6. Conditionality

6.1 Update on specific conditions.	**NB: The UK's conditionality only applies to Financial Aid directly given to a partner government** Provide details on: Partnership commitments: was there any concern about the four partnership commitments? (poverty reduction; respecting human rights and other international obligations; strengthening public financial management (procurement); and strengthening domestic accountability) If Yes, what were they? Did you notify the government of our concerns?

	If Yes, what was the government response? Did it take remedial actions? If yes, explain how. If No, was disbursement suspended during the review period? Date suspended (dd/mm/yyyy) What were the consequences?
6.1 PCR – Update on specific conditions	**NB: The UK's conditionality only applies to Financial Aid directly given to a partner government** *Partnership commitments: was there any concern about the four partnership commitments? (poverty reduction; respecting human rights and other international obligations; strengthening public financial management (procurement); and strengthening domestic accountability)* *If Yes, what were they?* *Did you notify the government of our concerns?* *If Yes, what was the government response? Did it take remedial actions? If yes, please explain.* *If No, was disbursement suspended during the review period? Date suspended (dd/mm/yyyy)* *What were the consequences?*
7. Conclusions and Actions	Summarise overall conclusions of the review and implications for the future of the project. Summarise key recommendations for management action. Identify any changes needed to the logframe or major changes in programme design. Where results are not being achieved as planned including our assessment of the balance of costs and benefits and/or if the project is off-track against timescales and or costs, outline any remedial actions that will be undertaken to improve performance. Where results are exceeding expectation what does this tell us? For example have we set results at a realistic level of expectation? What lessons have we learned about what is going particularly well, including lessons that will affect future project design.
PCR – 7.0 Conclusions	*Summarise overall conclusions of the review including any*

	actions still needed. *Where results were not achieved as planned or where results exceeded expectation what does this tell us? For example did we set results at a realistic level of expectation? What lessons have we learned about what went well, including lessons that will affect future project design.*
8. Review Process	Summarise who conducted the review, when and how, who was consulted in undertaking this review and what sources of information were used.

Completing the AR and PCR and transferring information onto ARIES

ARIES will automatically calculate the overall output score, taking account of the individual outputs scores and the respective impact weights.

Once agreed by project partners, the designated Inputter should cross-check information with data held on ARIES and enter data from the Annual or PCR into the relevant fields on the ARIES Project Performance tab. The project approver should ensure that the AR and PCR template is saved to the relevant folder in Quest, given the correct content type and declared a record so that it can be published (see the section on Transparency on page 8).

Terms of Reference

Whether undertaken as an external mission or as a desk exercise, Terms of Reference (ToRs) should be prepared for all those involved in the review, and shared and agreed in advance with any project partners (Note that “in advance” could be anything from two weeks to two months ahead of the actual review date, depending on the need to arrange official meetings and travel. If external assistance needs to be engaged to assist with the review, the selection and preparation process will need to begin at an even earlier point).

ToRs are important not only to confirm the principal areas to be addressed in the review, but also to allow any division of labour among members of the review team, if needed. They are a useful way of reminding those contributing to the review (a) of the fact of the review happening, and (b) focal points for the review. Example Terms of Reference are shown as Annex A.

Annex A: Sample Terms of Reference for an Annual Review or Project Completion Review.

ARIES PROJECT DESCRIPTION:

Introduction

DFID carries out Annual Reviews of all of its programmes to assess progress against the objectives contained in the logframe, and to check if the programme is on track, and if any adjustments need to be made. At the end of a project, DFID undertakes a Project Completion Review to confirm the progress made and the success of the project.

[This section sets out the nature of the project, DFID's contribution, contributions made by other partners (if applicable), the form of assistance being provided (for example, Budget Support), and who is engaged in delivering the project.

This section should identify what stage the project has reached, whether this is an Annual Review (if so, which one), or PCR, and which partners will be involved]

Background

This will normally summarise what the project seeks to achieve (which could be drawn from the Intervention Summary, or equivalent), and the progress of the project, or challenges to progress, so far. It should identify how the project is being delivered and who are the main implementing partners.

Objective of the Review

This section sets out in detail the tasks of the review team. These might include:

- Assess progress achieved since [inception or the last review, which ever is the later], including an assessment of the quality of progress.
- Make recommendations and identify action points regarding any major issues and problems affecting progress.
- Assess and score the project's progress during the last year against the Outputs in the logframe, including a consideration of Assumptions and Risks, and determine whether and what changes are required;
- Assess progress towards achieving the logframe Outputs and Outcome by the end of the project;
- Review the performance of project partners, suppliers or consultants, and of DFID and external processes (such as procurement, tranche payments, payroll and asset management);
- Assess whether the project is on track to deliver Value for Money.
- Identifying priorities and workplans for the coming period.

Scope of the Work

This section should identify what the review process will do. For example:

"The mission will review the progress of the project against the Outcome and Outputs set out in the Business Case approved in [date] and based on the logframe [or equivalent] dated [or updated] at [date].

The review team will normally check not just progress made against the logframe (or equivalent), but also test the logframe itself: for example, in practice, are the Outputs still the right ones in order to achieve the Outcome, and are the Indicators still the right ones to monitor progress?

Methodology

This section sets out how the review will be conducted. Tasks might include:

- A review of available documentation, such as the current Business Case logframe or equivalent, progress and financial reports produced covering the review period, minutes of stakeholder meetings, and consultancy reports.
- Meetings with stakeholders. This should include named individuals and groups.

This section should also outline the approximate duration of work to be undertaken (for example, how long it will take to read background documents and hold meetings. If the review process involves significant travel, the principal sites to be visited, the duration of the visits and the composition of any visit teams (especially if the review team is to be divided) should be outlined.

It should identify the time to be taken to produce any post-review documents (such as an aide memoire, the completed Annual or PCR template, etc.)

Reporting

This section describes what the outputs of the mission will be. This will normally include a completed Annual Review or PCR template. It might also comprise:

- An aide memoire providing a summary of progress, highlighting main issues and constraints, and summarising recommendations, action points, owners and time-frames;
- An inventory update with recommendations in relation to procurement, asset management and disposal, if appropriate.

The time-frame for the delivery of any outputs, and to whom they should be supplied, should be made clear, together with a time-frame and procedure for any revision and final agreement.

This section may also outline the ultimate distribution of any review material produced (for example, for publication on a partner's website, or covering the sharing of all or part of outcomes with different project implementers or beneficiaries).

Timeframe

The review will take place from [identify a start date and approximate or actual end date]

Team Composition

The core team will comprise:

- [Names and titles of members, who may be identified as being responsible for different aspects of the review (for example, covering different geographical areas, studying procurement or asset management).]