

HEALTH PORTFOLIO PLAN 2018-2023: DFAT MANAGEMENT RESPONSE TO THE RECOMMENDATIONS OF THE MID-TERM REVIEW (2022)

Summary of management response

DFAT agrees with the central recommendation of the review to largely maintain the present priorities and direction of the Health Portfolio Plan (HPP) and agrees in full or in part with all the individual recommendations of the review. Where we partially agree with a recommendation, this is due to some parts of the recommendation being impractical to implement, or the assumptions underpinning the recommendation differing from DFAT’s view. Most of the recommendations are already being implemented or are being designed into the next Health Portfolio Plan, which we anticipate being approved and in place in 2024.

DFAT management response to the individual recommendations¹

Short-Term: Remainder of the HPP

The shorter-term recommendations are largely concerned with positioning the Australian High Commission (AHC) Health Team and the Health Portfolio for a future Health Portfolio Plan, establishing a solid foundation for more efficient and effective program management.

Recommendation	Response	Comment	Next Steps	Timeframe
Recommendation 1 <i>Alignment in portfolio logic: A key principle for investment design and redesign should be clear alignment between the program logic of investments and the overall logic of the portfolio.</i>	Agree	All activities under the HPP have different start and end dates. Those under implementation prior to HPP establishment may be less aligned than those developed afterwards.	DFAT is currently finalising its next HPP, which we anticipate will be in place in 2024. Once finalised, we will review program logic of existing/continuing major investments against the new HPP and adjust as feasible to maximise alignment. New investments will be designed in alignment with the new HPP.	2024 onwards

¹ Recommendation text in italics extracted from the Executive Summary of the Mid-Term Review Report (pages 9-10).

Recommendation	Response	Comment	Next Steps	Timeframe
<p>Recommendation 2</p> <p>Standardisation: To improve portfolio efficiency, enable comparative analysis of investments, and facilitate streamlined portfolio planning, budgeting, and reporting, standardisation of approaches and tools across investments is recommended.</p>	Agree	<p>Activities are implemented by a range of partners, each with different approaches to planning, budgeting, and reporting. Due to separate corporate requirements, not all will be able to adjust their approaches and tools.</p> <p>Greater standardisation of approach can be implemented, particularly in relation to reporting of financial and progress information where activities are overseen by a single managing contractor.</p>	Once the new HPP is finalised, DFAT will socialise it with partners with the aim of streamlining Monitoring and Evaluation (M&E) common indicators and reporting of Gender Equality, Disability and Social Inclusion (GEDSI) indicators (under the GEDSI toolkit) as far as possible. We are developing a value for money (VfM) toolkit to facilitate a consistent approach to addressing this important element of program efficiency.	2024
<p>Recommendation 3</p> <p>Organisational Structure: The Review recommends the AHC Health Team shift from a functional to a matrix structure which combines a vertical functional structure with a cross-functional thematic structure for PFM (Public Finance Management), GEDSI (and other identified cross-cutting themes).</p>	Partially agree	<p>There is insufficient explanation in the report as to how the proposed matrix model would be implemented in practice or how it would improve management of activities by the AHC health team.</p> <p>Team structures are required to be in alignment with broader DFAT organisational requirements.</p>	As part of the development and finalisation of the new HPP, the AHC Health team will review team structure, roles, and responsibilities to ensure an appropriate approach to managing the health portfolio.	2024
<p>Recommendation 4</p> <p>Sequencing: With the completion of the HPP corresponding with the end of several HPP investments, the process of redesign should follow a</p>	Agree	All new investment designs should be designed in alignment with the new HPP.	Alignment to the HPP will be included in terms of reference for all new investment designs.	2024 onwards

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<p><i>sequence that commences with HPP program logic, proceeds to development of tools and templates, and concludes with investment design.</i></p>				
<p>Recommendation 5 <i>HDMES (Human Development Monitoring and Evaluation Services):</i> <i>In addition to compliance-oriented evaluation work, the HDMES role should encompass quality assurance of all HPP investment M&E requirements; training, mentoring and ongoing M&E support to investments; and designing and facilitating learning events for the AHC Health Team.</i></p>	Partially agree	<p>DFAT agrees that HDMES can contribute more to quality assurance of documentation and support better M&E alignment across all investments to ensure better data collection and reporting.</p> <p>Delivery partners are required to employ effective M&E approaches and engage effective personnel and therefore should not need additional training and mentoring beyond advice/ guidance from HDMES on alignment of M&E approaches.</p> <p>The AHC engages HDMES in learning events on an as needs basis.</p>	<p>The HDMES 2023/ 2024 workplan includes the provision of quality assurance of all relevant investment documentation and support to partners to ensure DFAT’s M&E standards are met.</p>	<p>2023 onwards</p>

Future DFAT Health Programming in PNG

Longer-term recommendations are concerned with the key issues that the portfolio design must address.

Recommendation	Response	Comment	Next Steps	Timeframe
<p>Recommendation 1</p> <p>Resolve the Service Delivery versus Systems Strengthening Tension: <i>A recurring tension highlighted by this Review is that between service delivery initiatives by HPP investments and initiatives to strengthen the PNG health system. This tension needs to be resolved. The Review recommends an explicit recognition of the necessity for Australia to support service delivery, and clear parameters around the circumstances about how and where that should happen and what should be done to maximise system level outcomes and mitigate negative unintended consequences.</i></p>	Partially Agree	<p>We do not agree with the review’s characterisation of the tension within the program between service delivery and systems strengthening.</p> <p>All investments under the 2018-2023 HPP included systems support elements and some include service delivery. None are entirely service delivery programs.</p> <p>We agree that explicit recognition of the necessity for Australia to continue to support health service delivery is needed.</p>	We will continue to refine our support in both health service delivery and for the PNG health system. The necessity of this support, and a framework for our approach, will be reflected in the new HPP.	2024
<p>Recommendation 2</p> <p>Resolve the Narrow versus Expansive Geographical Coverage Approach: <i>The Review recommends that the AHC should drive decisions about geographical coverage of investments through a portfolio lens that seeks to maximise opportunities for synergy, coordination, and a focus on cross-cutting themes.</i></p>	Partially Agree	<p>DFAT agrees with the need to maximise program alignment and synergy in locations where we have multiple investments.</p> <p>However, rather than having to resolve program spread to either narrow or broad geographical coverage, a range of factors determine where our support is delivered, including disease burden, government priorities, comparative advantage, the work of other partners and existing commitments.</p>	The new HPP considers geographic spread of health investments to maximising synergy, coordination and address government and cross cutting priorities.	2024 onwards
<p>Recommendation 3</p> <p>Tackle PFM: <i>The Review recommends an adaptive approach be taken to PFM strengthening, with all Australian funded initiatives aligned to a singular</i></p>	Partially Agree	<p>We agree that greater alignment between development investments across PNG is possible.</p> <p>It is not feasible for all Australian development investments to prioritise PFM for health.</p>	The AHC health team will engage more closely with development investments in other sectors to maximise	2023 onwards

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<p><i>portfolio vision that is established in collaboration with NDoH (National Department of Health) and the central agencies.</i></p>			<p>alignment and complementarity.</p>	
<p>Recommendation 4</p> <p><i>Adopt a Comprehensive GEDSI Approach:</i> <i>The Review recommends a successor to the HPP adopt a comprehensive, transformative GEDSI framework that is broad enough to enable diversity of approaches, but which incorporates sufficient commonality to harness combined impact.</i></p>	<p>Agree</p>	<p>GEDSI is receiving significant consideration in the design of the new Health Portfolio Plan, in line with Australia’s International Development Policy.</p>	<p>A GEDSI toolkit developed in 2023 is already being utilised by health investments to maximise synergy and the ability to measure combined impact. This will continue to be used under the new HPP.</p>	<p>2023 onwards</p>
<p>Recommendation 5</p> <p><i>Establish a Roadmap to Sustainability:</i> <i>The Review recommends the development of a Portfolio roadmap that establishes a series of stages that will eventually lead to the capacity to move away from project-based modalities and deliver aid through government systems.</i></p>	<p>Agree</p>	<p>The PNG Australia Transition to Health (PATH) program currently has an articulated Transition Strategy designed to stage the transition of key activities to greater engagement and management by Government of PNG (GoPNG). PATH is the largest investment in the portfolio going forward.</p> <p>All new activities under the HPP will be required to demonstrate how they will transition increasingly to GoPNG management and implementation.</p> <p>The ability to deliver development assistance through government systems relies on ongoing PNG Government investment in health systems strengthening.</p>	<p>In addition to individual investments being required to demonstrate their approach to transitioning management of service delivery to Go PNG over time, long term sustainability is a core element of the new HPP.</p>	<p>2024 onwards</p>

