

Public Policy Guide

A TRANSFORMATIONAL JOURNEY





The Public Policy Guide of the Government of Dubai

The General Secretariat of the Executive
Council – Government of Dubai
P.O. Box 72233
Dubai
United Arab Emirates

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FOREWORD

The Public Policy Guide has been driven by the vision and directions of His Highness Sheikh Mohammed bin Rashid Al Maktoum, Vice President and Prime Minister of the UAE, and Ruler of Dubai. It is through his unrelenting ambition, coupled with a consistent pursuit of excellence, that Dubai has managed to position itself as a world class city – one that is committed to the happiness and prosperity of the individuals that live within its borders. The launch of this Public Policy Guide reflects our commitment to driving this vision forward. Not only is it representative of our efforts to continue delivering a wide range of pioneering and innovative services efficiently and effectively, in line with the UAE Vision 2021 and Dubai Plan 2021 objectives, but it also reflects our desire to focus on the qualities that have made Dubai what it is today.

Our development may have been quick, but we are not a city that rests on its glories. Over the past years, our government has progressed so rapidly that it has placed Dubai internationally, as a global benchmark. The reasons for this are twofold: Firstly, credit must go to the forward looking innovative policies that encourage these ambitious targets. More importantly, this, in turn, has translated into projects and initiatives that put people's well-being at the very heart of their development, one of the most significant indicators of government excellence.

As the world around us is changing at a fast pace, traditional policies have become obsolete. The major technological developments that we used to refer to as remote events have become a tangible reality. Government challenges are increasing day after day to develop holistic, transparent and participatory public policies that are people-centric, personalized, and adaptive.

In closing, I would like to call upon all policy makers of the Government of Dubai to adopt the Public Policy Guide as a key reference in their policy development, develop it and enrich it with practical experience. Let us continue to set the standard.

Hamdan bin Mohammed bin Rashid Al Maktoum
Crown Prince of Dubai and Chairman of the Executive Council

GUIDE OBJECTIVES

The key objectives of the Public Policy Guide are to:

- Provide structured, consistent, best practice and innovative approaches to the development, design, implementation, monitoring, evaluation and review of the Government of Dubai policies;
- Provide detailed frameworks, tools, templates and case studies to the policy cycle phases;
- Increase accountability, transparency and participation in the policy making process;
- Ensure government policies are aligned to the government's strategic objectives and with entities' roles and responsibilities;
- Introduce and enact more inclusive, evidence and results-based policies with SMART¹ objectives, impacts, outcomes, outputs and targets; and
- Ensure government policies are coherent, cost-effective, people-centric, sustainable and adaptive.

GUIDE AUDIENCE

This Guide is primarily designed for people working in the Government of Dubai along two levels. The first includes senior policy and decision makers in the Government of Dubai. The second includes policy practitioners who are involved in policy development, design, implementation, monitoring and evaluation. The Guide is also intended for researchers, analysts, other policy participants or stakeholders that would benefit from the proposed approaches, templates and case studies.

GUIDE STRUCTURE

The Guide follows a consistent format across all chapters; each chapter sets the objectives, principles, methodologies, activities, tools and templates for each of the policy cycle phases and ends with a phase checklist and deliverables. The "Introduction to Policy" Chapter provides the foundations for good policy making, including the guiding principles, the policy triggers, the policy instruments, the policy cycle and recent innovative trends in policy making. The remainder of the Guide outlines the various phases in the policy making process. Chapter 1. "Policy Justification and Framework Set-Up" emphasises the importance of justifying the need for government intervention and effective planning from the outset of policy development. Chapter 2. "Developing and Analysing the Policy Evidence Base" provides guidance on how to ensure that the policy is evidence-based, including assembling and analysing alternative sources of evidence. Chapter 3. "Establishing the Policy Theory of Change" explains how to define the policy theory of change including the intended policy objectives, impacts, outcomes, outputs, indicators and targets. Chapter 4. "Identifying and Appraising Policy Options" covers how to identify and appraise policy options using cost-benefit and risk analyses frameworks. Chapter 5. "Designing the Policy Solution and Planning Implementation" tackles the selected policy option design and implementation planning including implementation, risk, and change management techniques. Chapter 6. "Policy Monitoring, Evaluation and Review" considers the alternative policy monitoring and evaluation mechanisms. Chapter 7. "Stakeholder Engagement" outlines stakeholder engagement approaches that should be adopted along the policy cycle. The Guide ends with the "Conclusion: Why Do Policies Fail?" Chapter which provides lessons learned on why policies sometimes fail and proposes certain mitigation measures. The Guide Annexes include all templates related to the various policy cycle phases. The Guide concludes with an illustrative case study on Dubai Health Insurance Policy to practically apply all policy cycle theories and templates covered throughout the chapters.

HOW TO USE THIS GUIDE

The Public Policy Guide should be used in conjunction with its sister Guides: 'Dubai Government Strategic Planning Guide' and 'Strategic Success of the Leadership Team: Strategy Execution Guide of Dubai Government'. The three processes of strategic planning, policy making and strategy execution management together make up a unified framework for setting and delivering the Government of Dubai's strategies and policies.

FEEDBACK

The Strategic Planning, Strategy Execution and Policy Guides will be continually updated and enhanced. If you have any comments or suggestions for enhancing the Guides, or would like to receive the most up to date versions, please email the Strategy Management and Governance Sector, in the General Secretariat of the Executive Council of Dubai on smg@tec.gov.ae or telephone: 04-3302111.

ACKNOWLEDGEMENT

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1. UK HM Treasury (2003). 'The Green Book: Appraisal and Evaluation in Central Government'
2. UK HM Treasury (2011). 'The Magneta Book: Guidance for Evaluation'
3. UK Policy Innovation Unit, 'Effective Policy Making: Workbooks 1-5'

¹SMART: Specific, Measurable, Achievable, Relevant and Time-bound

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GUIDE GLOSSARY

The table below lists key terms and concepts covered in the Public Policy Guide in hand. Each term is explained within the framework of policy making and within the context of this Guide. The table does not provide, however, absolute definitions regardless of context.

Terms	Definitions
Adaptive Policies	Policies that are defined by two types of capacities: i) the capacity of the policy to adapt to anticipated conditions, and ii) the capacity of the policy to adapt to unanticipated conditions.
Baseline	The collection and analysis of basic information covering the policy background, its history and current position, the problem or opportunity within its current internal and external environments, the effects of policies being implemented and the effects of other foreseeable policies.
Benchmark	A methodological process that provides points of reference for comparing the policy's current performance levels and relative positioning in specific areas to local, regional and international best practice standards.
Big Data	Extreme volume of data, both structured and unstructured, of various data types, forms, velocity and veracity, used in policy making to: collect, analyse, share, experiment, personalise and optimise data utilisation.
Crowdsourcing	Online public participation tool for soliciting contributions and generating ideas from the online community through the use of online platforms. Crowdsourcing is used in policy making for: information and knowledge collection and management, information analysis, problem solving and creative crafting of solutions.
Design Thinking	A problem-solving tool that focuses on people's expectations and requirements from the policy and then delivering the experience through repeated testing and experimentation. Steps for conducting design thinking include: empathising to understand people's behaviour, defining the policy problem, ideating, prototyping and testing potential solutions.
Economic Evaluation	A policy evaluation type that aims to assess if the policy costs have been outweighed by the benefits, consequently measuring the value-for-money.
Emirate-Level Policies	Policies that address the Government of Dubai strategic or leadership directions, objectives, priorities, challenges or opportunities and that have cross-sector implications.
Entity-Specific Policies	Policies that address corporate specific strategic or leadership directions, priorities, challenges or opportunities and that do not directly affect sector performance.

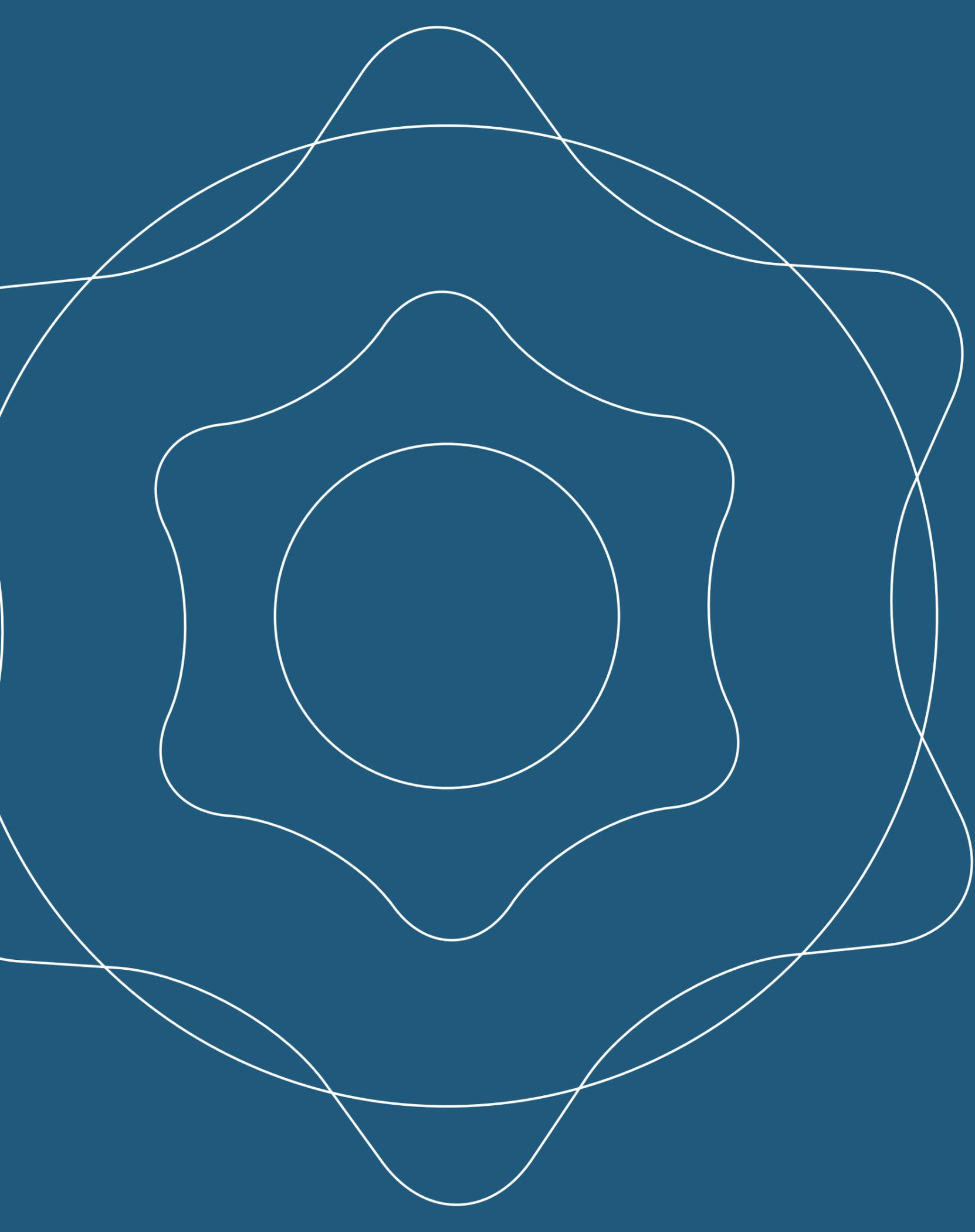
Term	Definitions
Evaluation	Systematic and objective assessment of the policy results to determine to what extent the policy fulfilled its intended effectiveness, impact and efficiency, sustainability and relevance.
Evidence	Actual or asserted facts and scientifically rigorous findings that are used to make better informed policy decisions and plans, reduce unintended consequences and demonstrate policy making accountability.
Evidence-Based Policy Making	Integrating the best available research evidence into the policy decision making process through active information exploration and extrapolation.
Evidence Gap Map	A research tool that uses the information gathered by evidence maps to indicate where the gaps in the evidence-base of a policy issue are.
Evidence Map	A research tool that maps the available evidence to indicate what types of evidence are available, using which types of evidence gathering and evaluation methods, covering which aspects of the policy issue and with what degree of scientific rigour.
Federal-Level Policies	Policies that address federal strategic or leadership directions, priorities, challenges or opportunities for which no emirate has the legal jurisdiction.
Horizon Scanning	A tool used for analysing the future and considering how emerging trends and developments might affect current policies and practices. It is a systematic and evidence-based examination of the external environment.
Impacts	Broad, sustainable and long-term changes in the state and conditions of society, the economy and/or the environment. Impacts refer to the broader effects of the policy and can be conceptualised as the longer term effect of a combination of outcomes and other factors.
Impact Evaluation	A policy evaluation type that assesses if the policy is producing its intended outcomes and impacts through providing the relevant policy outputs efficiently, effectively and sustainably. It answers the cause-effect questions about policy intervention effects.
Implementation Plan	A management tool used for the design and delivery of the selected policy option. Its main components are: key activities, implementation schedule, roles and responsibilities, resource requirements, decision requirements and dependencies.
Issues Tree Diagram	A problem solving method that links the policy problem to its issues and sub-issues.

Term	Definitions
Key Performance Indicators	Quantifiable performance measurements used to demonstrate and measure progress towards the achievement of policy results. They could be quantitative or qualitative indicators.
Legislation	A system of principles, standards, procedures, rights and obligations passed and enforced by the government, typically by the Supreme Legislation Committee. Legislative instruments in Dubai include: laws, decrees, resolutions, orders and by-laws.
Monitoring	A periodic tracking of the policy progress by systematically collecting and analysing data related to specified indicators to determine if the policy project is on track, on time, on budget and in accordance with planned targets.
Objectives	Specific statements of intent detailing desired results that the policy aims to achieve.
Open Data	Data made freely available for everyone to access, use and republish as they wish, published without restrictions from copyright, patents or other mechanisms of control. Open data should be: i) complete, ii) primary, iii) timely, iv) accessible, v) machine processable, vi) non-discriminatory, vii) non-proprietary and, viii) license free.
Outcomes	Changes in behaviour, knowledge, attitudes, relationships, activities or actions at different levels impacted by the policy that typically take place in the medium-term.
Outputs	Products, goods, facilities and services which result from policy interventions.
PESTLE Analysis	An analytical tool used to identify and assess the policy external environment. PESTLE denotes “P” for Political, “E” for Economic, “S” for Socio-Cultural, “T” for Technological, “L” for Legal, and “E” for Environmental factors surrounding the policy.
Policy Instruments	Tools or techniques that the government utilises to achieve policy results. There are five main types of policy instruments: i) control or regulatory instruments, ii) direct and targeted government interventions, iii) economic incentives or disincentives, iv) advocacy/persuasion/information instruments, and v) institutional or operational interventions.
Policy Justification Brief	A brief developed upon the conclusion of the first phase of the policy cycle: the Policy Justification and Framework Set-Up phase. The brief should cover the need for the policy, including the policy area, issues, sub-issues, the policy context, key deliverables, timeline, governance, information and budget requirements and key potential risks.

Term	Definitions
Program	A group of interrelated policy instruments or interrelated projects that are integrated to achieve one or more policy objectives. Often a number of programs will need to be implemented to achieve a particular policy objective.
Process Evaluation	A policy evaluation type that assesses how the policy was operated and delivered and what has impacted its effectiveness.
Public Policy	The translation of the government's priorities and principles into a consistent and coordinated series of programs to deliver strategic objectives, to address particular social, economic and/or environmental issues and to effect the desired change. Often a number of policies will need to be implemented together to achieve a particular strategic objective.
Radomised Controlled Trial (RCT)	An experimental form of policy impact evaluation that is based on the random assignment of the population to a "treatment" group (which receives the policy intervention) or to a "control" group (which does not receive the policy intervention).
Rapid Evidence Assessment	A faster methodological research tool than Systematic Reviews that provides a descriptive outline of the available evidence, assesses them and excludes the ones of poor quality.
Risk Management	A structured approach for identifying, assessing, prioritising, controlling and mitigating risks that emerge during the course of the policy.
Stakeholder Engagement	A process used to engage relevant policy stakeholders with the objective of securing their buy-in, raising policy awareness, gathering policy information, understanding the issues related to them and testing potential solutions.
Strategy	A documented framework that defines the medium and long-term directions, priorities, objectives and action plans needed to achieve a desired future. A strategy bridges the gap between "where we are" and "where we want to be" and provides context and coherence to individual policies.
Systematic Review	A methodological research tool that involves collecting, consolidating and assessing all related empirical evidence that fits certain eligibility criteria.
Targets	The quantitative values of expected change or improvement in indicators and the timeframe by which the targets will be achieved.
Theory of Change	A result-based management tool which sets the causal logic of how the policy is supposed to achieve four different levels of results: objectives, impacts, outcomes and outputs and the causal links between them.

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INTRODUCTION TO POLICY

01. What is Public Policy?

Public policy is the translation of the government’s priorities and principles into a consistent and coordinated series of programs to deliver strategic objectives, to address particular social, economic and/or environmental issues, and to effect the desired change.

Public policy making is decision-centric and goal-driven. Decision-centric means that the process is focused on choices and decisions that need to be made. Goal-driven means that the process has defined objectives, impacts, outcomes and outputs and that iterations are performed until these results have been realised.

Public policies may be classified as:

—> **Federal-Level Policies:** Address federal strategic or leadership directions, objectives, priorities, challenges or opportunities (e.g. in line with the UAE Vision 2021 and the UAE Government Strategy), and for which no single emirate has the legal jurisdiction or ownership (e.g. Labour Policy and Value Added Tax (VAT) Policy);

—> **Emirate-Level Policies:** Address Government of Dubai specific strategic or leadership directions, objectives, priorities, challenges or opportunities (e.g. in line with the Dubai Plan 2021), and that have cross-sector implications (e.g. Health Insurance Policy);

—> **Sector-Specific Policies:** Address single sector strategic directions, objectives, priorities, challenges or opportunities (e.g. education, health, human capital, economic or environmental) and that have no direct implications on other sectors (e.g. Teachers’ Licensing Policy and Medical Professionals’ Licensing Policy); and

—> **Entity-Specific Policies:** Address corporate specific strategic or leadership directions, priorities, challenges or opportunities and that do not directly affect sector performance (e.g. entity attendance policy). Entity-specific policies are not covered in the Public Policy Guide in hand.

Public policies may be classified as vertical or horizontal.

—> **Vertical Policies:** Developed by a single government entity or structure; and

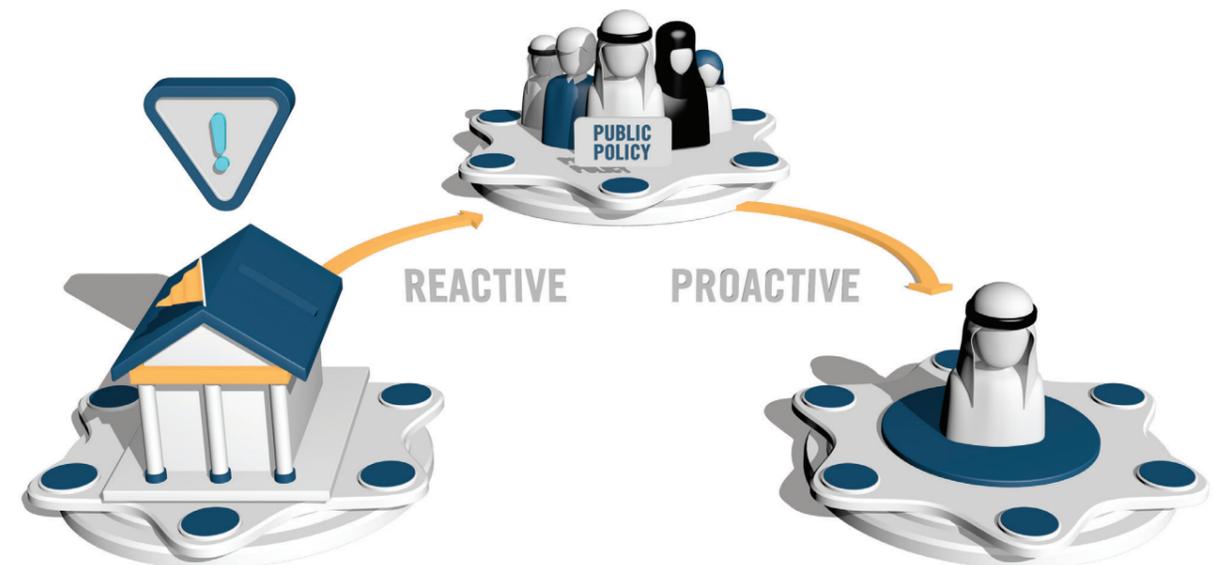
—> **Horizontal Policies:** Developed by two or more government entities, each dealing with specific dimensions of the policy.

Governments are increasingly focusing their efforts on horizontal policy making in recognition to the cross-cutting nature of policy challenges or opportunities.

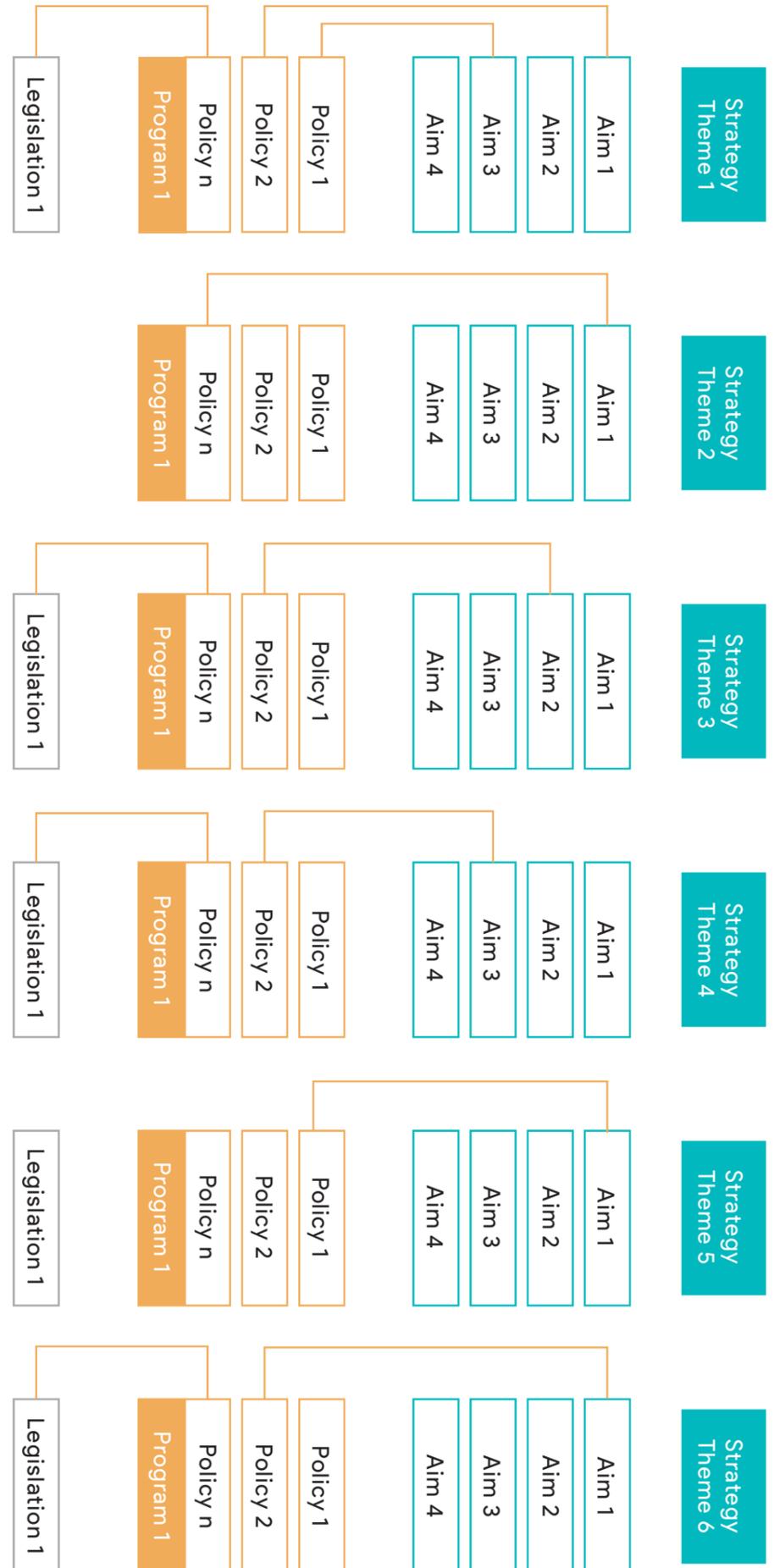
Public policies may be further categorised as reactive or proactive.

—> **Reactive Policies:** Emerge in response to a concern or crisis that must be addressed (e.g. increase in the cost of living, rising private school fees and health emergencies); and

—> **Proactive Policies:** Introduced and pursued through deliberate choice (e.g. Open Data Policy and Emiratization Policy).



Strategy (e.g. Dubai Plan 2021)



02. What is the Difference between Strategy, Policy, Program and Legislation?

The terms strategy, policy, program and legislation are used in many different ways, and sometimes interchangeably.

For the purposes of this Guide, and in Dubai’s context, the following definitions are used:

➤ **Strategy:** A documented framework that defines the medium and long-term directions, priorities, objectives and includes comprehensive action plans that are designed to achieve the desired future. A strategy bridges the gap between “where we are” and “where we want to be” and provides context and coherence to individual policies.

➤ **Policy:** A document that provides the analysis on how specific policy instruments will be developed, designed, implemented, monitored and evaluated to achieve strategic objectives. Unlike a strategy, a policy includes appraisal of alternative options in the form of policy instruments leading to the selection of the one(s) providing the highest value-for-money and preferably the lowest risks. Often a number of policies will need to be implemented together to achieve a particular strategic objective.

➤ **Program:** A group of interrelated policy instruments or projects that are integrated to achieve one or more policy objectives. Often a number of programs will need to be implemented together to achieve a particular policy objective. Various types of policy instruments will be covered in Section 4. “What are the Key Policy Instruments?”. Table i.i illustrates the differences between Dubai Plan 2021 themes, aims, policies and programs.

➤ **Legislation:** A system of principles, standards, procedures, rights and obligations passed and enforced by the government, typically by the Supreme Legislation Committee. Legislative instruments in the Government of Dubai include: laws, decrees, resolutions, orders and by-laws. Not all policies require legislation. Legislation is typically required for the implementation of a policy if:

- Existing principles, standards, procedures, rights and obligations are to be modified;
- Policy is of high-level of importance and will require legislation to enforce its principles and achieve its objectives; or
- Policy will have a long-term operation.

The hierarchy between strategy, policy, program and legislation is illustrated in Figure i.i.

Table i.i: Dubai Plan 2021 Themes and Aims and Examples of Policies and Programs

	Theme 1 A City of Happy, Creative and Empowered People	Theme 2 An Inclusive and Cohesive Society	Theme 3 The Preferred Place to Live, Work and Visit	Theme 4 A Smart and Sustainable City	Theme 5 A Pivotal Hub in the Global Economy	Theme 6 A Pioneering and Excellent Government
Selected Aim	Educated, Cultured and Healthy Individuals	A Tolerant and Inclusive Society Embracing the Civic Values of Dubai	A City with the Best Educational, Healthcare and Housing Services Catering to Everyone's Needs	Environmental Elements are Clean, Healthy and Sustainable	A City that Enjoys Sustainable Economic Growth	Sustainable and Innovative in the Management of its Resources
Examples of Policies	<ul style="list-style-type: none"> Physical Activity Policy in Schools Human Capital Development Policy 	<ul style="list-style-type: none"> Elderly Protection Policy Child Protection Policy 	<ul style="list-style-type: none"> School Fees Restructuring Policy Affordable Housing Policy Hospital Pricing Policy 	<ul style="list-style-type: none"> Carbon Abatement Policy Groundwater Policy 	<ul style="list-style-type: none"> Free Zones Optimisation Policy Inflation Policy 	<ul style="list-style-type: none"> Green Procurement Policy Succession Planning Policy Smart Fiscal Planning Policy
Examples of Programs	<ul style="list-style-type: none"> Emiratis' empowerment program to reintegrate them in the workforce Licensing early childhood education centers 	<ul style="list-style-type: none"> Establishing community centers Launching parenting training programs 	<ul style="list-style-type: none"> Providing incentives for education providers of good and affordable education 	<ul style="list-style-type: none"> Charging tipping fees for waste management scaled according to waste segregation Setting standards and labels for appliances and equipment to save electricity and water 	<ul style="list-style-type: none"> Accelerating the process of "starting a business process" Launching star ratings for Small and Medium Enterprises (SMEs) 	<ul style="list-style-type: none"> Developing an integrated system for measuring the efficiency of government services

03. What Triggers a Policy?

It could be argued that strategic planning, if done comprehensively, sufficiently stipulates all the policies that will be necessary to implement the strategic plan. However, policies need to be developed, communicated, implemented and adjusted through an on-going process, not just through the annual strategic planning cycle.

New policies may need to be developed in response to:

→ Strategic and/or leadership direction and priorities (e.g. federal requirements, Dubai Plan 2021 requirements, and gaps in certain sectors);

→ Stakeholder or public concerns and needs (e.g. low satisfaction in certain public services, service gaps, socio-economic needs, and lack of enforcement of different legislations);

→ Pressures on fiscal or natural resources, etc.;

→ Crises/emergencies/external events (e.g. natural disasters or diseases);

→ Media attention;

→ External events (e.g. climate change, technological advances, innovations, or Research and Development (R&D));

→ International events or initiatives or commitments (e.g. international agreements);

→ Planned reviews or evaluations of existing policies; and

→ Observatories, universities and think tank research.

Table i.ii lists examples of some policy triggers within the Government of Dubai context.



Table i.ii: Examples of Policy Triggers from the Government of Dubai

Policy Triggers	Policy Examples from the Government of Dubai
Strategic and or Leadership Direction/ Priorities	• Drug Use Reduction Policy
Stakeholder/Public Concerns	• Private School Fees' Exceptional Increase Policy
Pressure on Fiscal or Natural Resources	• Financial Efficiency Policy
Crises/Emergencies/External Events	• Emergencies and Crises Policy
Institutional/Operational	• Safety in Maritime Transportation Policy
Media Attention	• Child Protection Policy
External Events	• Climate Change Policy
International Events	• Human Rights Policy

04. What are the Key Policy Instruments?

Policy instruments are tools or techniques that the government utilises to achieve policy objectives.

The purpose of policy instruments are typically to:

- Address social, cultural, political, legal, economic, financial and environmental challenges or conditions;
- Provide rights and/or services and/or information to the public;
- Provide structure and organisation to government entities; and
- Achieve behavioural changes within society or individuals.

The government's choice of policy instruments typically relies on:

- Instruments utilised by the government in the past;
- Social, cultural, political, legal, economic, financial and environmental challenges and conditions; and
- International standards and lessons learned from best practices.

Governments typically rely on five possible types of policy instruments. These include:

- **Control/Regulatory Instruments** which rely on the establishment of obligations (e.g. based in legislation/regulations/bans), encouraging or prohibiting certain types of behaviour or requiring the explicit permission of the government to engage in specified activities;
- **Direct and Targeted Government Interventions** which rely on the provision of a program or a service to achieve specific outcomes (e.g. education, waste collection, parks and recreation);
- **Economic Incentives or Disincentives** which rely on financial instruments to achieve outcomes (e.g. taxes, charges, fees, penalties, subsidies, incentives/disincentives and tradable permits);
- **Advocacy/Persuasion/Information Instruments** which rely on knowledge transfer, communication and persuasion (e.g. encouraging volunteering and community services); and
- **Institutional or Operational Instruments** which mostly tackle institutional or operational changes of entities affected by policies (e.g. organisation restructuring, decentralization, devolution and empowerment and/or coordination mechanisms).

Table i.iii provides examples of policy instruments utilised by the Government of Dubai.



Table i.iii: Examples of Policy Instruments from the Government of Dubai

Policy Instruments	Examples from the Government of Dubai
Control/Regulatory Instruments	<ul style="list-style-type: none"> • Providing two-year residency visas for property owners in 2011 to boost real estate investments • Banning smoking in public places
Direct and Targeted Government Interventions	<ul style="list-style-type: none"> • Providing housing for Emiratis • Providing public education and healthcare
Economic Incentives or Disincentives	<ul style="list-style-type: none"> • Setting a fee freeze and up to 50% cut on licensing costs and charges to assist businesses during the global financial crisis in 2009 • Providing investment subsidies in less attractive parts of Dubai
Advocacy/Persuasion/Information Instruments	<ul style="list-style-type: none"> • Setting School Health Guidelines • Imposing health risk labels on tobacco products
Institutional/Operational Instruments	<ul style="list-style-type: none"> • Establishing the Higher Committee for the Protection of the Rights of Persons with Disabilities • Establishing the Higher Committee for Dubai Population

Typically, a combination of policy instruments may be required to produce effective government interventions and achieve the desired policy results. The features and possible impacts of each policy instrument should be understood, particularly in terms of costs, benefits and risks. Assessment of alternative policy instruments will be covered in more detail in Chapter 4. "Identifying and Appraising Policy Options".

05. What are the Guiding Principles to Policy Making?

Policy making in Dubai is guided by a set of fundamental principles, which are institutionalised and formalised.

These guiding principles are:

—> **Transparency:** Government entities facilitate access and disclose timely, open and comprehensive policy information to stakeholders. Transparency increases accountability and fosters stakeholders' effective participation in the policy process.

—> **Responsibility, Ownership and Accountability:** Government entities, under a clear and committed leadership, act as policy champions, taking primary responsibility and accountability for the policy process. Ownership is cascaded to various levels across the entities through commitment to clearly defined roles and responsibilities. Accountability also requires that concerned government entities redress any policy risks, challenges and short-falls and develop corrective measures.

—> **Evidence-Based:** Government entities utilise and integrate the best available evidence throughout the policy process. Entities set, measure and analyse evidence-based performance objectives, impacts, outcomes, outputs and targets, learn from this evidence and review and report on their policies accordingly.

—> **Clarity:** Government entities ensure that policies are written clearly and concisely while not jeopardising the depth of analysis. Entities ensure that policy areas, issues and root causes are clearly defined, that policy options are clearly developed and analysed, that the solution and implementation plan are clearly designed, and that the results are clearly monitored and evaluated according to clearly defined metrics and targets.

—> **Consultation:** Government entities inform, engage and consult stakeholders openly and inclusively throughout the policy cycle. Consultations enable collaborative problem solving and more responsive, innovative and effective policy developments, designs, implementations, evaluations and reviews.



06. What is the Policy Cycle?

There is no single uniform policy making approach which can be applied to all policies as the range of policy triggers and contexts within which each policy is developed can vary considerably.

However, there are a number of broad phases which apply to most policy areas and which require answering:

—> *Where are we now?* (What is the current problem or opportunity? What is its magnitude? What are its issues, sub-issues and root causes? What is its impact?)

—> *Where do we want to be?* (What are the latest trends and best practices related to the policy area? What are its possible futures? What results do we want to achieve?)

—> *How will we get there?* (What are the alternative policy options? What is the best option? How will it be implemented?)

—> *How will we know if we have gotten there?* (What monitoring and evaluation mechanisms should be in place? How will success be measured? How will policies be reviewed?)

These questions can be answered in the seven phases of the policy cycle, described in Figure i.ii and in Table i.iv.



Figure i.ii: The Policy Cycle Phases

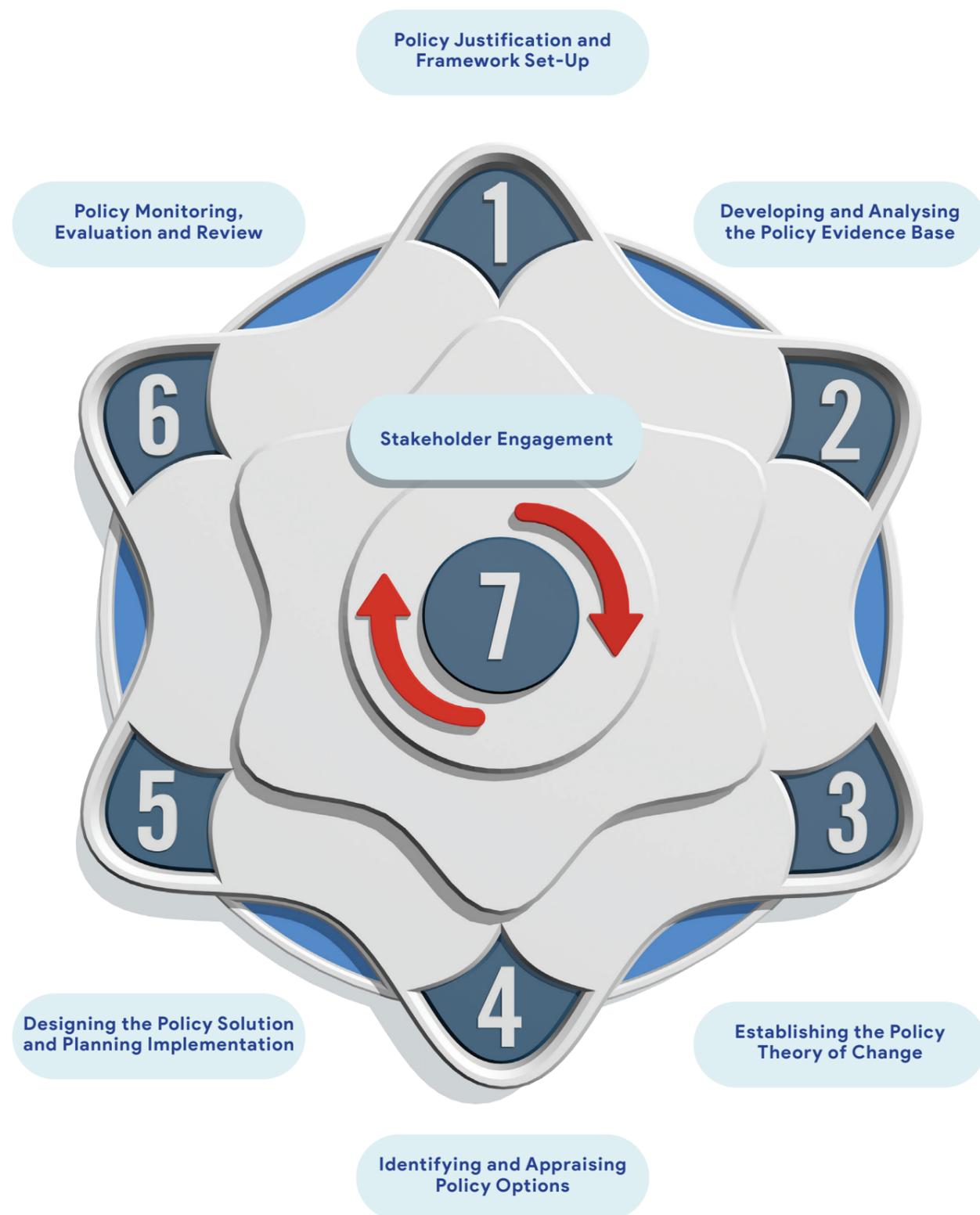


Table i.iv: High-Level Overview of the Policy Cycle Phases

<p>Where are we now?</p>	<p>1- Policy Justification and Framework Set-Up: This phase is intended to develop a clear definition and understanding of the policy, which includes: i) defining the policy scope (i.e. the policy nature, triggers and scale), ii) formulating hypotheses regarding its issues and sub-issues, iii) assessing the feasibility of government intervention, and iv) proposing the required governance and team. It concludes with the development of the Policy Justification Brief.</p> <p>2- Developing and Analysing the Policy Evidence Base: This phase involves assembling and analysing the best available evidence to guide decision making. This includes: i) defining the types and sources of evidence, ii) establishing the policy baseline, iii) benchmarking and analysing the policy's relative position; iii) analysing the policy's possible futures through forecasting and scenario development, iv) developing the Policy Analytical Report that consolidates evidence-based findings, analysis and conclusions, and v) knowledge management that enables the organisation and dissemination of assembled evidence.</p>	<p>7- Stakeholder Engagement: This phase involves identifying and prioritising stakeholders, and selecting approaches to involve, consult, inform, collaborate, co-design and empower them as relevant.</p>
<p>Where do we want to be?</p>	<p>3- Establishing the Policy Theory of Change: This phase involves setting out clearly, based on evidence-based analysis, the desired SMART and inclusive policy objectives in order to identify the full range of feasible policy options. This will also require defining the hierarchy of results that the policy intends to achieve through impacts, outcomes, outputs, indicators and targets.</p>	
<p>How will we get there?</p>	<p>4- Identifying and Appraising Policy Options: This phase involves identifying and developing a range of possible policy options and appraising them according to a set of criteria (including their costs, benefits and risks) leading to the selection of the most feasible and impactful option. It concludes with the development of the Policy Options Appraisal Summary.</p> <p>5- Designing the Policy Solution and Planning Implementation: This phase involves planning the design and implementation of the selected option along deliverables, timescales, resources, governance and teams. It also includes developing risk and change management plans.</p>	
<p>How will we know if we have gotten there?</p>	<p>6- Policy Monitoring, Evaluation and Review: This phase involves measuring the results achieved by the policy in terms of impacts, outcomes and outputs. Monitoring involves continuous tracking of the actual policy performance against its original plan. Evaluation is a systematic assessment of the policy's effectiveness, impact and efficiency. This step also includes policy reviews and adaptations based on monitoring and evaluation findings.</p>	

Chapters 1-7 cover the key objectives, principles and activities involved, questions to be addressed (checklist and deliverables), and tools and templates for each of the policy cycle phases.

A summary of these is depicted in Table i.v.

Table i.v: High-Level Overview of the Policy Cycle Phases Durations, Required Steps, Deliverables, Tools and Templates

Phase	1. Policy Justification and Framework Set-Up	2. Developing and Analysing the Policy Evidence Base	3. Establishing the Policy Theory of Change
Duration	2 - 4 weeks	4 -10 weeks	2 – 4 weeks
Steps	<ul style="list-style-type: none"> • Scope the policy project • Identify and frame the policy issues and sub-issues • Assess the feasibility of government intervention • Set up the project governance • Set up the project team • Develop the Policy Justification Brief 	<ul style="list-style-type: none"> • Review the sources and the quality of policy related evidence • Establish the policy baseline • Benchmark, derive lessons learned and analyse the policy's relative position • Analyse the policy's possible futures through forecasting and scenario development • Develop the Policy Analytical Report 	<ul style="list-style-type: none"> • Define the policy objectives • Define the policy impacts • Define the policy outcomes • Set the policy indicators • Set the policy targets
Deliverables	<ul style="list-style-type: none"> • Policy Justification Brief 	<ul style="list-style-type: none"> • Policy Analytical Report 	<ul style="list-style-type: none"> • Policy Theory of Change
Tools and Templates	<ul style="list-style-type: none"> • Issues Tree Template (Annex 1A) • Policy Justification Brief Template (Annex 1B) 	<ul style="list-style-type: none"> • PESTLE Analysis Template (Annex 2A) • SWOT Analysis Template (Annex 2B) • Benchmarking Template (Annex 2C) • Forecasting and Scenario Development Techniques (Annex 2D) • Policy Analytical Report Template (Annex 2E) 	<ul style="list-style-type: none"> • Policy Theory of Change Template (Annex 3A)
Phase	4. Identifying and Appraising Policy Options	5. Designing the Policy Solution and Planning Implementation	6. Policy Monitoring, Evaluation and Review
Duration	3 - 6 weeks	2 - 4 weeks	4 -10 weeks
Steps	<ul style="list-style-type: none"> • Identify a long-list of policy options • Short-list policy options to be appraised • Identify and value the monetary costs and benefits of short-listed options • Identify and value the non-monetary costs and benefits of short-listed options • Identify the risks of options • Determine the net present values of costs and benefits of short-listed options • Select and recommend the preferred option • Develop the Policy Options Appraisal Summary 	<ul style="list-style-type: none"> • Develop the policy implementation plan • Develop the policy risk management plan • Develop the policy communication plan • Translate the policy into legislation (if required) 	<ul style="list-style-type: none"> • Conduct policy monitoring • Conduct policy process evaluation (if required) • Conduct policy impact evaluation (if required) • Conduct policy economic evaluation (if required) • Integrate monitoring and evaluation results into the policy review
Deliverables	<ul style="list-style-type: none"> • Policy Options Appraisal Summary 	<ul style="list-style-type: none"> • Policy Implementation Plan • Policy Risk Management Plan • Policy Change Management Plan 	<ul style="list-style-type: none"> • Policy Monitoring and Reporting • Process Evaluations • Impact Evaluations • Economic Evaluations • Policy Review
Tools and Templates	<ul style="list-style-type: none"> • Overview of the Options' Monetary Costs and Benefits (Annex 4A) • Overview of the Options' Costs and Benefits for which No Market Price Exists (Annex 4B) • Overview of the Options' Non-Monetary Costs and Benefits (Annex 4C) • Overview of the Policy to People (P2P) Impact Assessment Tool (Annex 4D) • Calculating and Comparing the Net Present Values of Policy Options (Annex 4E) • Policy Options Appraisal Summary (Annex 4F) 	<ul style="list-style-type: none"> • Implementation Plan Template (Annex 5A) • Risk Management Template (Annex 5B) • Communication Plan Template (Annex 5C) • Explanatory Memorandum to the Draft Legislation Template (Annex 5D) • Legislation Proposal Template (Annex 5E) • Request Memorandum for Legislation Issuance Template (Annex 5F) 	<ul style="list-style-type: none"> • Monitoring Planning Template (Annex 6A) • Monitoring Reporting Template (Annex 6B) • Policy Evaluation Project Specifications Template (Annex 6C)
Phase	7. Stakeholder Engagement		
Duration	Throughout the Policy Cycle Phases		
Steps	<ul style="list-style-type: none"> • Define the stakeholder objectives • Identify key stakeholders • Develop the communication plan • Define the timing of stakeholder engagement • Identify the levels of stakeholder engagement • Define stakeholder engagement techniques • Identify and manage stakeholder engagement risks • Develop the stakeholder engagement plan • Implement stakeholder engagement 		
Deliverables	<ul style="list-style-type: none"> • Stakeholder Engagement Plan 		
Tools and Templates	<ul style="list-style-type: none"> • Communication Plan Template (Annex 5C) • Stakeholder Engagement Plan Template (Annex 7A) 		

07. What are the Features of Good Policies?

Best practice government policies are:²

—> **Forward-Looking:** Clearly define outcomes and relative priorities. Take a long-term view based on evidence-based predictions of social, economic and environmental trends for at least five years into the future of the likely impact of the policy.

—> **Outward-Looking:** Take full account of influencing factors at the national, regional and international levels. Draw on lessons learned from benchmarking best practices on what works and what doesn't.

—> **Joined-Up and Integrated:** Take a holistic view of other related policies and objectives to ensure policy consistency and coherence and avoid duplication or contradiction between different government arms. Factor in horizontal sector integration (i.e. between different government entities) and vertical sector integration (i.e. between different tiers of the same government entity) or combinations of both.

—> **Creative and Innovative:** Encourage, design and discover new creative ideas, solutions and strategies. Question the status quo and provide alternative innovative and flexible approaches.

—> **People-Centric and Inclusive:** Meet the needs and incorporate the potential impact on people affected by the policy. Preserve the "public interest".

—> **Evidence-Based:** Use the best available sources (e.g. quantitative, qualitative, economic appraisal, behavioural and experimental) to help make well-informed policy decisions. Analyse causes, trends, strengths, weaknesses, opportunities and threats.

—> **Measurable:** Define clearly the results that the policy seeks to achieve through setting clear and SMART objectives, impacts, outcomes and outputs and assigning the appropriate indicators and targets for them.

—> **Efficient and Cost Effective:** Identify and implement the policy option(s) which offers the most effective results compared to the best value-for-money through conducting thorough cost, benefit and risk assessments.

—> **Monitored, Evaluated and Formally Reviewed:** Build systematic monitoring and evaluation mechanisms throughout the policy cycle to manage interventions, assess the policy results, improve performance and conduct the necessary reviews. Analyse the effectiveness of different policy instruments and the capacities of government entities to deliver the aspired results.

—> **Consulted and Communicated:** Educate, engage and communicate effectively with the stakeholders throughout the policy cycle. Prepare and implement the necessary engagement strategies and materials.

08. What are the Latest Innovative Trends in Policy Making?

Policy makers are constantly faced with the pressure of making timely and high quality solutions in an environment that is increasingly volatile, uncertain, complex and ambiguous.

The latest innovative techniques and concepts in policy making include the following:

a. Open Government and Open Data: Open government is a global trend in public policies that aims to promote transparency, accountability, citizen participation, efficiency and the use and provision of technology and innovation through the use of open data. Open data builds on the idea that data should be timely and freely available from the source for everyone to access, use and republish as they wish without restrictions from copyright, patents or other mechanisms of control. Open data is a key prerequisite for open and participatory policy making as well as for empowering citizens to make data-driven and evidence-based decisions.

b. Big Data Utilisation: Big data is characterised by: i) extreme volume of data, ii) wide variety of data types and forms, iii) the timeliness and velocity at which data might be processed, and iv) the veracity of data through its granularity and comprehensiveness. Big data can be used in policy making to:

—> Draw on a broad set of data assets to add insights, context and analysis that would inform and transform policy making. For example, real-time reporting will drive real-time policy making;

—> Enable fragments of related information to be matched and linked together which streamlines transactions, reduces scope of errors and avoids duplications;

—> Utilise reliable predictive analytics and simulations that will help assess, experiment and optimise the potential impacts and forecast reaction patterns to the alternative policy options;

—> Tailor for customised services through utilising the granularity of big data; and

—> Increase efficiency and cost savings therefore contributing to productivity.



² Adopted primarily from the UK Cabinet Office (1999). 'Professional Policy Making for the Twenty-First Century' and the Office of the Northern Ireland First Minister and Deputy First Minister (2005). 'A Practical Guide to Policy Making in Northern Ireland, Professional Policy Making for the Twenty First Century'

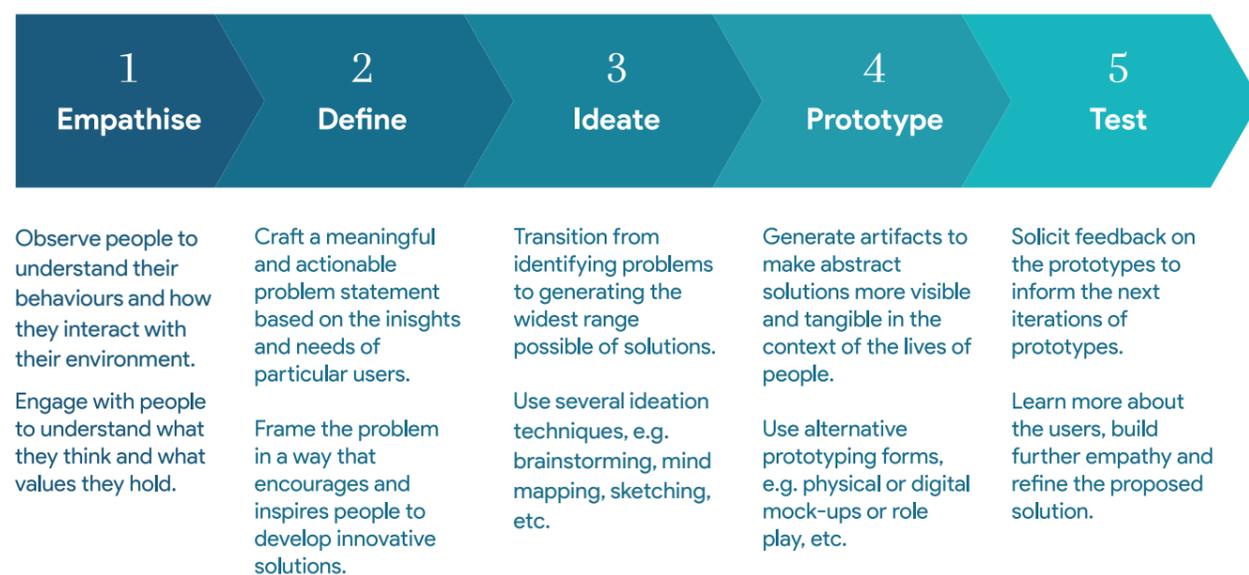
c. Crowdsourcing: Crowdsourcing is an online public participation tool for soliciting contributions and generating ideas from the online community through the use of online platforms (e.g. crowdsourcing websites and social media). Governments are increasingly using crowdsourcing to ask online communities to:

- > Collect information into a common location and format;
- > Analyse large batches of government decomposed and distributed information; and
- > Solicit solutions to ideation problems by developing creative ideas for posted challenges.

d. Design Thinking: A problem-solving tool that focuses on people’s expectations and requirements from the policy and then delivering the experience through repeated testing and experimentation. Steps for conducting design thinking include: empathising to understand people’s behaviours, defining the policy problem, ideating, prototyping and testing potential solutions. Design thinking approaches help deliver people-centric, comprehensive, holistic, integrated and better targeted perspectives and solutions. They also help provide reality checks at earlier stages of the policy process and reduce the risks of unintended consequences.

As such, key steps for applying design thinking in policy making can be summarised in Figure i.iii.

Figure i.iii: Steps for Applying Design Thinking



e. Integration of Behavioural Approaches and Insights: Behavioural approaches and insights seek to understand people’s behaviours, influences and decision-making processes and integrate them in the policy making context. These insights enable policy makers to design and implement policies that motivate and nudge people to make better choices for themselves and the society. The UK Cabinet Office (2015), ‘MindSpace: Influencing Behaviour through Public Policy’, (p.8), outlines nine influences on human behaviour and change according to the acronym MINDSPACE³, which can be used as tools for behavioural change. These correspond to the following:

- > **Messenger:** People are heavily influenced by who communicates the information.
- > **Incentives:** People’s response to incentives depends on factors such as the type, magnitude and timing of incentives.
- > **Norms:** Social and cultural norms tend to be the behavioural expectations or rules within a society or group.
- > **Defaults:** People tend to go with the flow with default or pre-set options; i.e. options that are pre-selected if an individual does not make an active choice.

—> **Saliency:** People’s attention is typically drawn to what is novel (e.g. messages in flashing lights), accessible and simple.

—> **Priming:** People’s behaviour may be altered if they have been subject to certain sub-conscious cues (e.g. sights, words and sensations).

—> **Affect:** People’s emotional association to words, images and events can powerfully shape their actions.

—> **Commitments:** People tend to be consistent with their public promises and reciprocate acts.

—> **Ego:** People tend to behave in a way that supports the impression of a positive and consistent self-image.

f. Gaming and Simulations: Gaming and simulations have been used to anticipate the behaviour of certain stakeholders in the policy arena, develop robust plans in response to a range of external factors, model emerging social forces and assist decision makers in learning how to operate a system and how it works. Games to support policies have three main objectives: education, research and action/intervention.

g. Randomised Controlled Trials (RCTs): RCTs are an experimental form of policy impact evaluation that is based on the random assignment of the population to a “treatment” group (which receives the policy intervention) or to a “control” group (which does not receive the policy intervention). RCTs will help assess the likely impact of policy interventions and how long it will take before the expected impacts and outcomes are realised.

h. Horizon Scanning: Horizon scanning is used for analysing the future and considering how emerging trends and developments might affect current policies and practices. It is a systematic and evidence-based examination of the external environment to: i) better understand the nature and pace of change in that environment, and ii) identify potential opportunities, threats, risks, emerging issues and likely future developments in the political, economic, social, cultural, environmental, health, scientific and technological settings. There are a variety of horizon scanning methods, examples of which are:

—> **Automated Scanning:** Track other government entities and/or international and/or competitors’ websites and publications.

—> **Organisation-Wide Scanning:** Use web-based systems for collecting ideas and concepts through the organisation.

—> **Group Thinking:** Encourage people to tag insights of interest to them over a period of time.

—> **Out of the Box Thinking:** Ask people to regularly research and contribute ideas outside their own disciplines.

The Public Policy Guide in hand will be followed with supplements related to the themes above.

³UK Cabinet Office, Institute for Government (2015). ‘MindSpace: Influencing Behaviour through Public Policy’



1

**POLICY
JUSTIFICATION
AND
FRAMEWORK
SET-UP**

Policy Justification and Framework Set-Up



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01. Introduction

a. Phase Overview and Objectives

The first phase of the policy cycle, the “Policy Justification and Framework Set-Up”, aims to develop a clear definition of the nature and scope of the policy area (problem or opportunity), cascade it into its issues and sub-issues, demonstrate the need and feasibility of government intervention and plan the policy development accordingly.

As such, this phase includes six main steps as depicted in Figure 1.1:

- Scope the policy project, including developing a clear definition of the policy area and the policy triggers;
- Identify the issues and sub-issues that the policy seeks to address to help plan subsequent phases;
- Assess the feasibility of government intervention;
- Set up the project governance (including roles and responsibilities);
- Set up the appropriate project team (including team size and skills); and
- Develop the Policy Justification Brief.

b. Phase Duration

The duration required to undertake the “Policy Justification and Framework Set-Up” phase will depend on the clarity and degree of consensus over the project scope, issues and sub-issues and how quickly the Policy Justification Brief is developed and approved. As a general rule, this phase will take between 2 to 4 weeks. However, it may be possible to complete it within one week if the required policy intervention is extremely urgent.

It should be noted that sufficient consideration needs to be made for developing the Policy Justification Brief and conducting the required underlying preparations as rushing through this phase might ultimately lead to missing crucial analysis and potential inefficiencies at a later stage of the policy process.

c. Phase Tools and Templates

The following tools and templates will be used in the “Policy Justification and Framework Set-Up” phase:

- Issues Tree Template (Annex 1A)
- Policy Justification Brief Template (Annex 1B)

Figure 1.1: Policy Justification and Framework Set-Up Steps



02. Scoping the Policy Project

The first step in any policy project is to determine the problem to be solved or the opportunity to be seized and the underlying policy triggers.

As such, an initial “scoping exercise” should be carried over a period of one to two days to:

- Define the policy area (i.e. the policy problem or opportunity);
- Understand the policy triggers (e.g. Dubai Plan 2021 or recent emergencies or social or environmental or economic pressures or media/or external events, etc.);
- Assess the scale of the problem or opportunity and how it is evolving;
- Identify what work, if any, has been already done on this policy area; and
- Define the initial policy project objectives.



03. Identifying and Framing the Policy Issues and Sub-Issues

Any policy area typically involves complex and cross-cutting issues. As such, it is crucial to understand, early on, the key dimensions of the policy area (problem or opportunity), breaking it down into its issues and sub-issues.

Breaking down the policy area in a logical way will help:

- Define the origin of the policy area (problem or opportunity);
- Define the policy issues, sub-issues and at a later stage analyse their root causes;
- Plan and structure the policy subsequent phases;
- Develop appropriate and more targeted policy interventions to tackle the policy area;
- Focus discussions among stakeholders; and
- Highlight potential areas of work, or work streams for the policy project.

Key differences between the policy problem, issues, sub-issues and root causes are highlighted in Figure 1.2.

A powerful tool for framing the policy area in this way is the issues tree diagram. The issues tree diagram is a problem solving method that links the policy problem (or opportunity), to its issues and sub-issues, as illustrated in the example in Figure 1.3.

Please refer to Annex 1A for an Issues Tree Template.

The more analysis has been done to frame the issues and sub-issues, the more clearly one can define and refine the policy area definition. Further evidence-based analysis of the issues and sub-issues and their root causes will be covered in Chapter 2. "Developing and Analysing the Policy Evidence Base".

Figure 1.2: Distinction between the Policy Problem, Issues, Sub-Issues and Root Causes

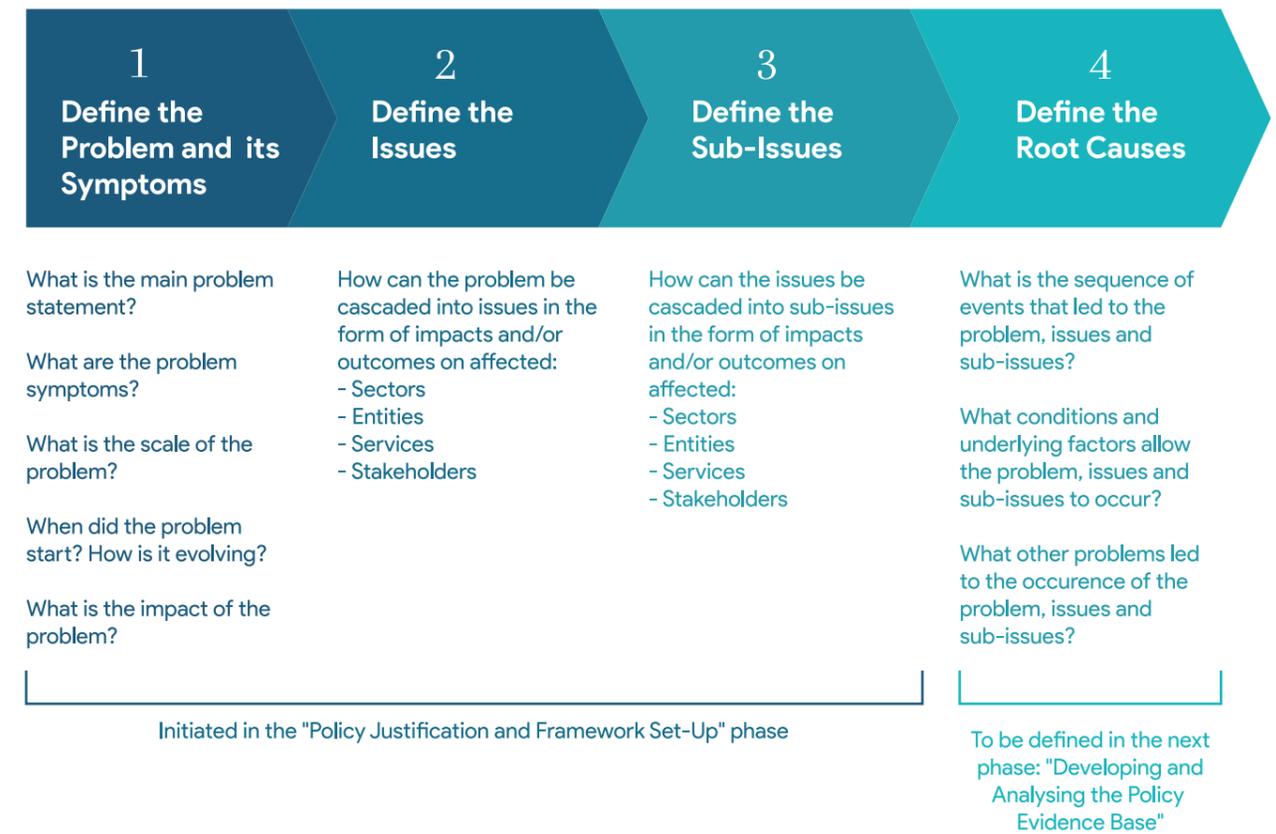


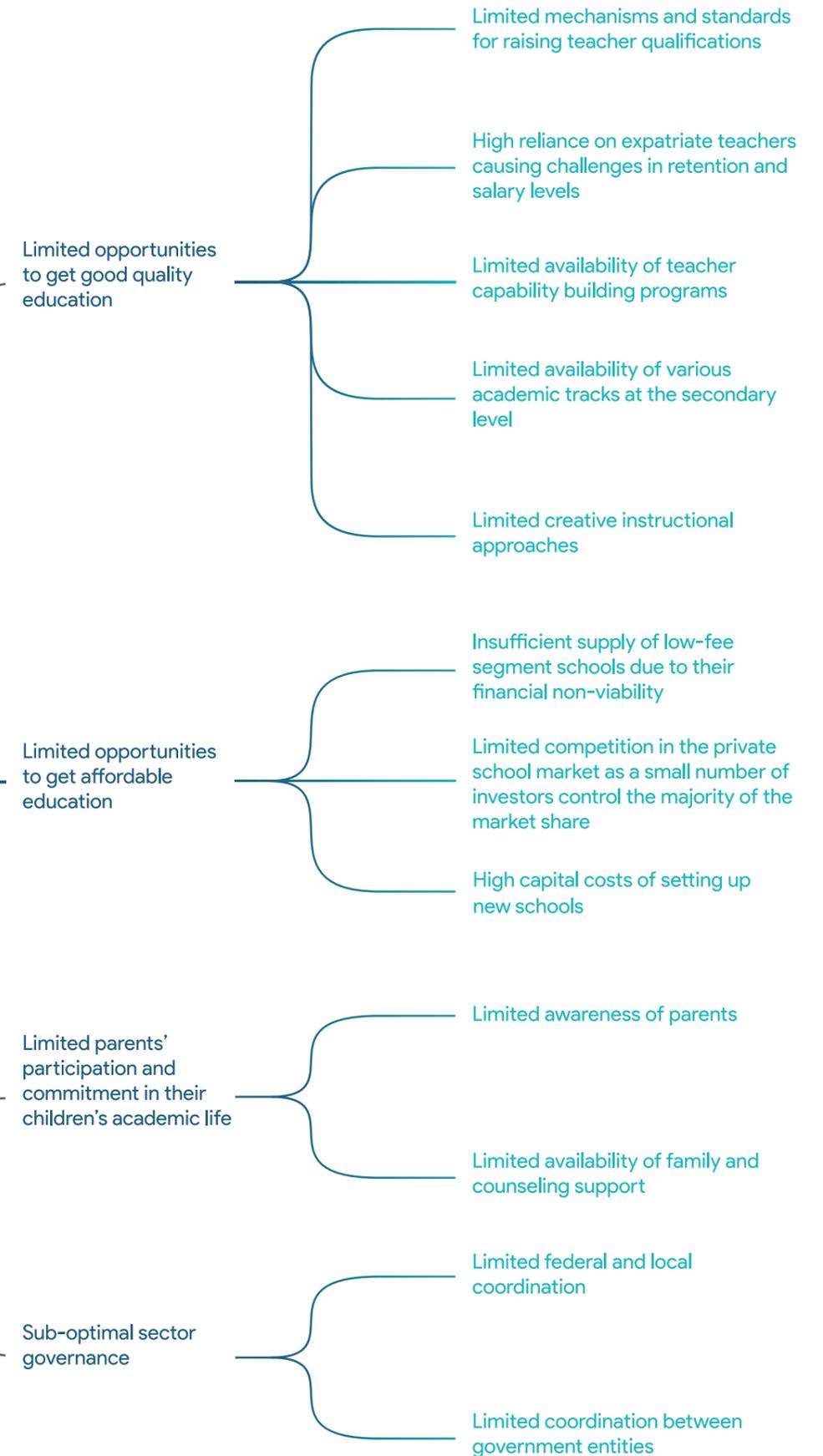
Figure 1.3: Example of an Issues Tree Diagram

Problem

Dubai, and especially the Emiratis, suffer from an educational achievement gap

Issues

Sub-Issues



04. Assessing the Feasibility of Government Intervention

This step includes conducting a preliminary assessment on the feasibility of government intervention and getting the policy area on the formal policy agenda of the Government of Dubai.

This step will require the policy maker to:

→ Review and analyse the government entity's current position. This should include reviewing related sector(s) and/or entity's strategic plan(s), in addition to the policy area-related studies, analysis, policies and mitigation measures previously undertaken.

→ Identify how the policy area relates to the government's strategic objectives and how it addresses existing challenges.

→ Formulate hypotheses regarding the potential policy instruments that could be utilised to address the policy area. These instruments, as mentioned in the "Introduction to Policy" Chapter, could potentially include:

- Control and Regulatory Instruments
- Direct and Targeted Government Programs/Services
- Economic Incentives or Disincentives
- Advocacy/Persuasion/Information Instruments
- Institutional and/or Operational Instruments

→ Develop a preliminary estimate of the expected financial and human resource requirements to develop and deliver the policy based on an initial assessment of the potential policy instrument(s). This is just an initial estimate that will be revised and detailed once policy options have been developed in Chapter 4. "Identifying and Appraising Policy Options".

→ Assess the feasibility of government intervention based on the policy scope, the government's current position and previous experience, its objectives and priorities and the initial resource requirements. This should be done through answering the following questions:

- What is the policy trigger?
- What are the direct and wider impacts of maintaining the status quo, i.e. if the policy was not implemented, or if there was minimal change (e.g. media and/or public pressure, safety concerns, standards of living concerns, deterioration in service offerings, etc.)?
- Is government intervention required, or will the market correct itself?
- Is the policy area expected to further evolve and aggravate in the future (e.g. effects can multiply over generations)?
- What is the estimated number of persons disadvantaged or benefiting from the policy?
- What is the high-level initial estimate of the financial and human resource requirements to address the policy area?

→ If there is a case for government intervention, then the policy area would be set on the formal policy agenda of the Executive Council and the concerned Sector Committee(s)⁴.

Examples of major reasons for government intervention are listed in Box 1.1.

Box 1.1: Examples of Major Reasons for Government Intervention

Market Failures

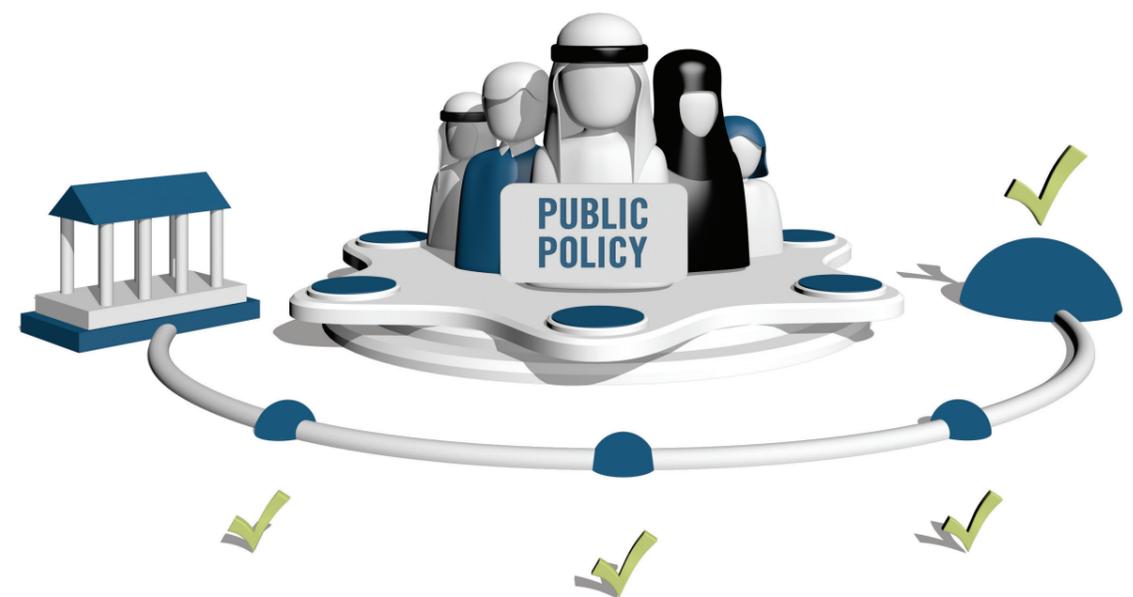
- Market prices do not reflect real costs and benefits to society
- Insufficient supply of public goods and services
- Poor quality of public goods and services
- Information failure (e.g. imperfect information or lack of access to information for decision makers)

Societal Failures

- Inequity in the provision of public goods and services
- Poor attainment in social indicators
- Low social cohesion

Regulatory Failures

- Inadequately defined rights/legal frameworks
- Unintended consequences resulting from public intervention(s)
- Implementation and enforcement failures



⁴There are five Sector Committees that have been established to support the Executive Council of Dubai. These are currently the: i) Economic Development, ii) Social Development, iii) Infrastructure, Land and Environment, iv) Health and Safety, and v) Security and Justice Committees.

05. Setting Up the Project Governance

Setting up the project governance is pivotal for effective policy making to:

- Define the lines of responsibility and accountability for policy development and implementation;
- Define and deliver the required policy results;
- Secure and allocate adequate resources;
- Provide direction and a forum for issues resolution and decision-making;
- Provide on-going feedback; and
- Provide a framework for project disclosures and information dissemination.

A policy project will require a Project Sponsor, a Steering Group/Committee (in case of cross-sector or cross-entity policies), a Project Manager and a Project Team (potentially supported by an advisory team of experts to complement any technical expertise). Reporting structures, frequencies and decision making processes also need to be defined as part of the project governance.

The Project Sponsor would champion the policy at the executive level to lead its development and secure its endorsement. A Sponsor is normally a senior member (e.g. Director General or Chief Executive Officer (CEO)) depending on the policy (e.g. emirate or sector level policy). The Sponsor's key roles and responsibilities are to:

- Act as a champion of the policy project from its inception until delivery;
- Chair the Project Steering Group/Committee;
- Secure the required policy project resources (including human and financial resources);
- Lead, direct and endorse the policy project deliverables; and
- Lead key organisation and commercial decisions for the policy project.

The Project Steering Group/Committee (in case of cross-sector or cross-entity policies) typically consists of high-level representatives of concerned government entities, who are responsible for steering the project, overseeing its progress and addressing strategic issues/decision requirements. The Steering Group/Committee might be formed from government or semi-government entities or the private sector or subject matter experts. The Steering Group/Committee's key roles and responsibilities are to:

- Agree on the project scope and plan;
- Allocate resources (human and financial) to support policy development and implementation;
- Steer the policy project and raise awareness at the senior level;
- Approve, lead and direct the Project Team;

- Oversee progress against the project plan and address any problems or delays;

- Resolve any issues escalated by the Project Sponsor/Manager/Team;

- Lead, direct and endorse the policy project deliverables;

- Communicate with required organisational representatives;

- Act as a liaison to other senior stakeholders to secure cooperation and buy-in from other government entities;

- Propose how to implement agreed upon recommendations, including responsibilities and resources; and

- Drive and manage change.

The Project Manager would ensure that the project is delivered on time, on budget and as per required quality standards. The Project Manager's key roles and responsibilities are to:

- Act as a main point of contact between the Project Sponsor and the Project Team;

- Mobilise, manage and lead the Project Team;

- Develop and maintain a detailed project plan;

- Manage the project deliverables in line with the project plan (including deliverables, budgets and Key Performance Indicators);

- Monitor the project progress against plan and escalate required decisions;

- Resolve project level issues and escalate unresolved ones to the Project Sponsor;

- Coordinate information collection and documentation from various team members;

- Provide status updates to the Project Sponsor/Steering Group; and

- Recommend resource changes.

The Project Team Members will actively work on developing the policy document. Their roles will vary depending on the policy development stage, but their key roles and responsibilities can be summarised as follows:

- Provide functional and technical expertise and input into the policy development;

- Conduct project activities in line with the project plan;

- Work with various team members to develop the policy deliverables;

- Contribute to the overall objectives;

- Provide feedback on the project deliverables;

- Define and provide the required information; and

- Report progress updates or issues to the Project Manager.

Figure 1.4: Illustration of a Project Governance Structure

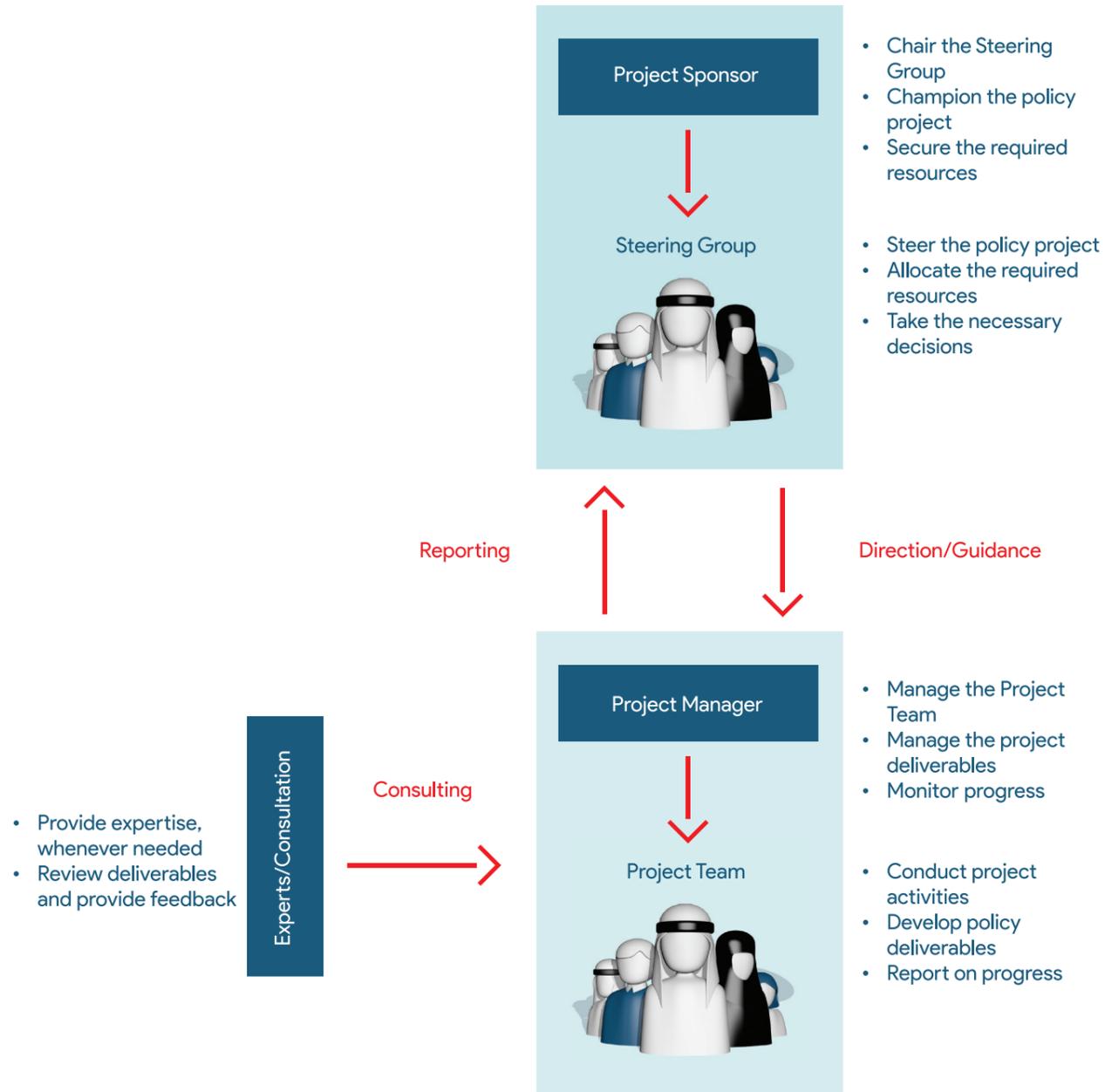
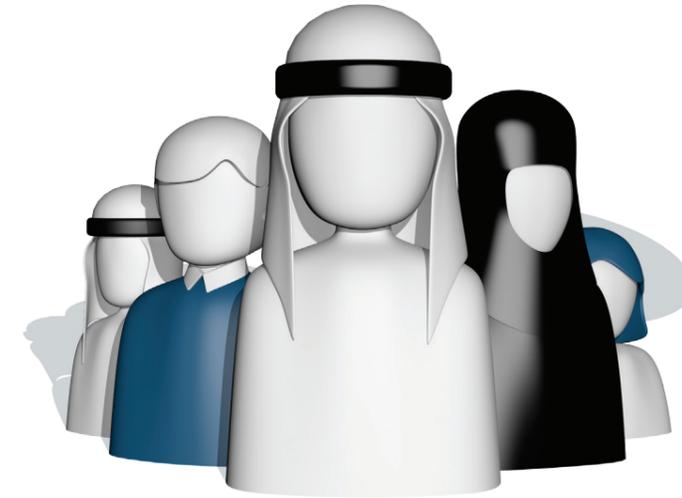


Table 1.1: Examples of Governance Structures from Government of Dubai Policies

	Government of Dubai Policy Example 1	Government of Dubai Policy Example 2
Policy Title	Human Development for Emiratis Policy	Carbon Abatement Policy
Who is the Project Steering Group/Committee?	Social Development Committee	Infrastructure, Land and Environment Committee
Who is the Project Sponsor?	Secretary General of the Executive Council	Secretary General of the Dubai Supreme Council for Energy
Who is the Project Team?	Members from: Dubai Government Human Resources Department, Dubai Statistics Center, Dubai Women Establishment, Knowledge and Human Development Authority, General Secretariat of the Executive Council of Dubai	Members from: Dubai Supreme Council for Energy, Roads and Transport Authority, Dubai Municipality, Dubai Electricity and Water Authority, General Secretariat of the Executive Council of Dubai
Who is the Project Manager?	Member from the General Secretariat of the Executive Council of Dubai	Member from the Dubai Supreme Council for Energy

06. Setting Up the Project Team

Before proceeding with policy development, it is crucial to set up a dedicated multi-disciplinary project team with the right mix of skills, expertise, backgrounds and perspectives. Team size and skills need to be taken into consideration when forming a team, while ensuring a balanced representation from government and non-government entities.



Government representatives could come from multiple government entities, depending on the entities involved and affected by the policy area. Non-government representatives typically include subject matter experts and/or consultants, if needed.

a. Team Size

Careful thought and planning is required to ensure team membership achieves a balance between maintaining a manageable size, and including the required mix of skills, knowledge and experience. In general, teams of 4-6 members are likely to be most effective to avoid difficulties in coordination, communication and decision making that come with larger groups. However, the team structure and composition are likely to vary across the different policy cycle phases.

b. Team Skills

Any policy team will require a mixture of different skills, expertise, backgrounds and perspectives. Team skills should encompass the following:

—> Subject matter/specific domain expertise:

Significant content depth in functional or domain area(s) and being up to date with recent trends, developments and best practices.

—> General problem solving, analytical and research capabilities:

Expertise in identifying and framing issues, in using creative problem solving approaches and frameworks and in applying diverse research and data collection mechanisms.

—> Statistical, economic and financial skills:

Expertise in developing and utilising alternative financial, economic, statistical and valuation models and methodologies, including for example, cost-benefit analysis, market modelling, real options analysis, demographic and labour market analyses and assessment of industry development impacts.

—> Project and team management:

Expertise in planning, executing, monitoring and evaluating projects to achieve the intended objectives and high quality deliverables as per project plans; this also includes strong interpersonal skills to lead and motivate the project delivery team and build synergies among them.

—> Communication and change management:

Expertise in engaging stakeholders of various backgrounds and responding to their queries or concerns, building commitment, making a persuasive case for change, and managing resistance.

—> Operational experience and citizens' understanding:

Expertise in understanding public sector users, their requirements, preferences and expectations.

—> Understanding governance, legislation and institutional management:

Knowledge of various government entities, their strategies and priorities, roles and responsibilities, collaboration, decision making and legislation processes in addition to technical expertise in legislative drafting.

Members of the team should be assigned roles and responsibilities based on their qualifications, backgrounds, positions, experience and skills.

Box 1.2: Features of a Successful and Cohesive Project Team

- Clear roles and responsibilities, expected contributions and outputs from individual team members.
- Mutual accountability for meeting the team's goals.
- Complementarity in individual team members' experience, skills and backgrounds.
- Commitment to common and cohesive SMART objectives, along with clear collective Key Performance Indicators (KPIs).
- Sufficient flexibility in working methods and approaches to accommodate different working styles and to enhance creativity.
- Transparency and openness in information sharing.

07. Developing the Policy Justification Brief

Key outputs of this phase should be reflected in a Policy Justification Brief.

The Policy Justification Brief aims to:

- Clarify the policy scope and initial objectives;
- Define the policy project milestones, target timescales and budget;
- Formalise the engagement of the Project Sponsor, the Steering Group/Committee, the Project Manager and the Project Team;
- Define high-level information requirements;
- Provide effective risk management considerations.

The Policy Justification Brief should therefore cover the policy project:

- **Need:** What is the policy area? What are the key issues? What are the key sub-issues? Is there a case for government intervention?
- **Objectives:** What are the project desired objectives?
- **Scope:** What are the preliminary policy instruments to be explored?
- **Context:** Is it a new policy, or does it build on previous experience? Will it utilise existing platforms?

- **Key Deliverables:** What are the project main activities and outputs?
- **Timeline:** What are the start and end dates of the key project milestones?
- **Governance:** Who will be the Project Sponsor? The Steering Group? The Project Manager? The Project Team? What are their roles and responsibilities?
- **Information Requirements:** What are the information/data requirements? What are the data sources? What are the data collection mechanisms?
- **Budget Requirements:** What is the breakdown of all anticipated project costs? How will they be financed?
- **Risks:** What are the key risks that might hinder the project completion on time, on budget and as per required quality standards? How will these risks be mitigated?

The Policy Justification Brief is typically developed by the Project Manager, with input from the Project Team, and approved by the Project Sponsor and the Steering Group/Committee.

Please refer to Annex 1B for a Policy Justification Brief Template.



08. Phase Checklist and Deliverables

a. Phase Checklist

Scoping the Project

- What is the policy area (problem or opportunity) that needs to be addressed?
- What are the policy triggers?
- What is the policy scale?
- What work has been previously done on this policy area?

Framing the Policy Issues and Sub-Issues

- What are the policy issues and sub-issues?

Assessing the Feasibility of Government Intervention

- What is the government's current position on the policy area?
- How does the policy area relate to the government's strategic objectives?
- What policy instruments may be utilised to address the policy area?
- What are the initial resource estimates?
- Is there a case for government intervention?

Setting Up the Project Governance

- Who will be the Project Sponsor? The Steering Group Committee? The Project Manager? The Project Team?
- What are their roles and responsibilities?
- What are the reporting/communication and decision making structures?

Setting Up the Project Team

- What is the required team size?
- What are the required team skills and qualifications?

Developing the Policy Justification Brief

- What is the policy area?
- What are the preliminary policy instruments to be considered?
- What are the project key milestones and deadlines?
- What is the policy governance?
- What is the policy preliminary budget?
- What are the main risks to the project, and how will they be managed?

b. Phase Deliverables

The Policy Justification Brief including:

- The policy project scope defining the policy area, triggers and scale
- The policy issues and sub-issues
- Assessment of the feasibility of government intervention
- The policy project governance
- The policy project team
- The policy project high-level information and budget requirements and risks



2

**DEVELOPING
AND
ANALYSING
THE POLICY
EVIDENCE
BASE**



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01. Introduction

a. Phase Overview and Objectives

The second phase of the policy cycle, “Developing and Analysing the Policy Evidence Base”, must confirm and refine the hypotheses developed in the policy scoping exercise of Chapter 1 regarding the policy issues and sub-issues through collecting and analysing evidence related to the policy’s current, relative and future positions.

Evidence constitutes actual or asserted facts and scientifically rigorous findings that are used to make better informed policy decisions and plans, reduce unintended consequences and demonstrate policy making accountability.

Evidence-based policy making is integrating the best available research evidence into the policy decision making process through active information exploration and extrapolation.

Evidence will be used in different forms and at different times of the policy process and provide the basis for:

- Analysing and confirming the nature and size of the policy area, its issues, sub-issues and root causes;
- Defining the policy objectives, impacts, outcomes and outputs (covered in Chapter 3);
- Informing the development and design of effective policy options and solutions (covered in Chapter 4);
- Assessing effective and ineffective modes of delivery and implementation in addition to estimating resource requirements (covered in Chapter 5);
- Conducting policy monitoring, evaluation and reviews (covered in Chapter 6); and
- Developing consensus among divergent interests and stakeholders (covered in Chapter 7).

Evidence-based policy making requires a strong capacity of policy makers to:

- **Assemble and explore** evidence on the policy area, issues, sub-issues and root causes. This includes defining the types and sources of evidence, assessing their features and identifying and addressing key evidence gaps.
- **Combine and synthesise** national and international evidence data. This includes baselining the current policy context and environment, synthesising lessons learned from best practices and projecting potential futures.
- **Consolidate, develop and disseminate** collected evidence. This includes developing the Policy Analytical Report and adopting evidence-based knowledge management.

b. Phase Duration

The duration required to undertake the “Developing and Analysing the Policy Evidence Base” phase will depend on the availability of required evidence and the depth of analysis needed for the policy baseline, benchmarking and forecasting. As a general rule, this phase will take between 4 to 10 weeks, especially in the absence of required evidence and the need to commission primary research.⁵

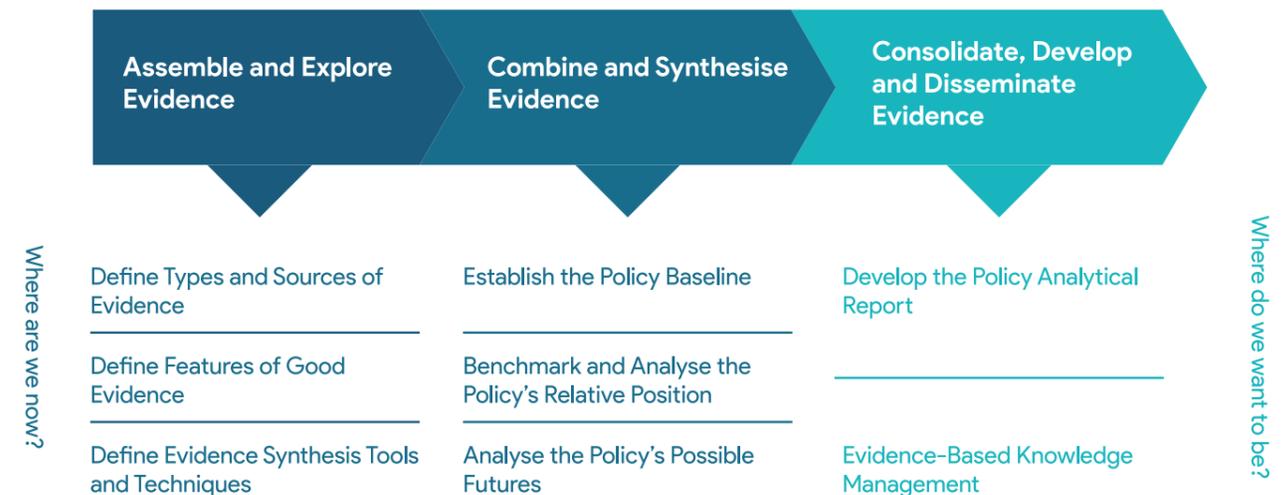
It should be noted that sufficient consideration needs to be made for assembling and synthesising the required evidence as this will help make better informed decisions and develop consensus among divergent interests and stakeholders.

c. Phase Tools and Templates

The following tools and templates will be used in the “Developing and Analysing the Policy Evidence Base” phase:

- PESTLE Analysis Template (Annex 2A)
- SWOT Analysis Template (Annex 2B)
- Benchmarking Template (Annex 2C)
- Forecasting and Scenario Development Techniques (Annex 2D)
- Policy Analytical Report Template (Annex 2E)

Figure 2.1: Evidence-Based Policy Making Requirements



⁵ Primary research is original research conducted to collect data specifically for the policy at hand while secondary research involves searching for existing data that was originally collected for other purposes.

02. Types and Sources of Evidence

This step includes researching and collecting the sources of evidence needed to conduct the policy baseline, confirm the developed hypotheses made regarding the policy issues and sub-issues and define the root causes.

Evidence comes in different forms and from different sources, including:

a. Quantitative/Statistical Evidence to understand and project the policy in numbers. Sources include:

→ Official statistics ideally in the form of open and big data; and

→ Administrative data.

b. Qualitative Evidence to understand people's perceptions and attitudes and to provide information on the policy issues, potential interventions and other aspects of the policy delivery process. Sources include stakeholders' observations, consultations, interviews, narratives, case studies, focus groups or social media.

Other forms of evidence are more relevant for Chapters 4. "Identifying and Appraising Policy Options" and 6. "Policy Monitoring, Evaluation and Review" but are covered here to provide a comprehensive view. These are:

c. Economic Appraisal Evidence to understand rigorously the costs and benefits of proposed and enacted policies. Sources include:

→ Cost-benefit analysis; and

→ Cost-effectiveness analysis.

d. Behavioural and Attitudinal Evidence to understand citizen awareness, perceptions and attitudes. Sources include:

→ Behavioural Surveys;

→ Barrier Analysis; and

→ Ethnographic Research.

e. Experimental Evidence to test and pilot the proposed policy options to assess their likely impacts, before they are rolled out across the entire population. This form of evidence has gained more traction with government's integration of behavioural sciences into the policy process. Sources for this evidence type include:

→ Randomised Controlled Trials (RCTs); and

→ Quasi-Experimental Designs (QEDs).

Please refer to Table 2.1 for definitions of the above types and sources of evidence.

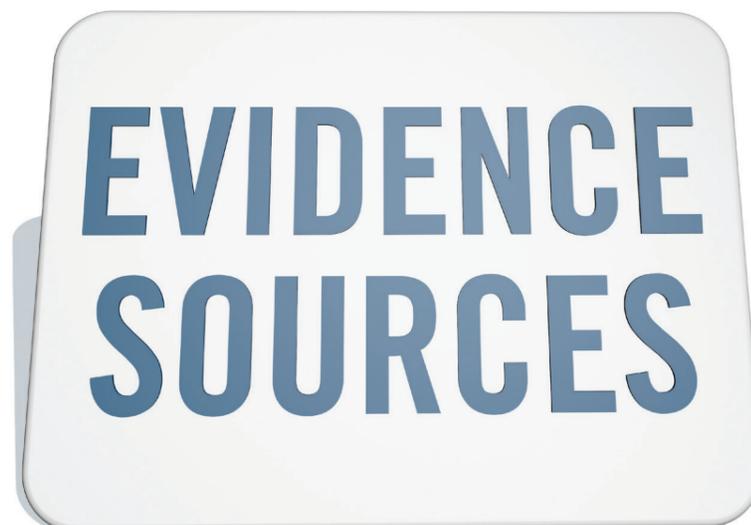


Table 2.1: Types and Sources of Evidence - (Part 1)

Types of Evidence	Sources of Evidence	Definitions
Quantitative Evidence	Official Statistics	Statistics published by government entities (e.g. Dubai Statistics Center) or other international organisations (e.g. the World Bank). Official statistics typically come from surveys or census or polls. They also include indices and world rankings.
	Administrative Data	Data collected by government entities primarily for administrative or operational purposes such as registration, transaction and record keeping, usually during the delivery of a service.
Qualitative Evidence	Observations, Consultations, Interviews, Narratives, Case Studies and Social Media	Input provided by: <ul style="list-style-type: none"> Government officials (including leaders, managers and other staff and people currently involved in design and/or delivery of services); Professional advisors outside the government; Customers, beneficiaries or service users; Employers or businesses; Academics; Advocacy groups; Think tanks; Civil society (e.g. non-government organisations); and Representative groups (e.g. women's groups, workers' groups, etc.).
Economic Appraisal Evidence	Cost-Benefit Analysis	A systematic approach for calculating and comparing the costs and benefits of policy options and for appraising the desirability and feasibility of investment decisions.
	Cost-Effectiveness Analysis	A systematic approach to comparing the relative costs and outcomes of alternative options. Cost-effectiveness is different from cost-benefit which assigns monetary values to the measure of the effect.

Table 2.1: Types and Sources of Evidence - (Part 2)

Types of Evidence	Sources of Evidence	Definitions
Behavioural and Attitudinal Evidence	Behavioural Surveys	Procedures that ask people to respond to questions about certain actions or behaviours that affect their physical, emotional, or mental well-being. Behavioural surveys do not try to determine what people think; rather, they focus on what people do. They are also used to push the issue to the forefront of public awareness.
	Barrier Analysis	A rapid assessment tool used in community health and other community development projects to identify behavioural determinants associated with a particular behaviour. These behavioural determinants are identified so that more effective change communication messages, strategies and supporting activities can be developed.
	Ethnographic Research	Observational techniques such as video diaries, photographs, contextual interviews, and analysis of artifacts to provide insight of “real life” behaviour at home, at work or in leisure environments. This approach is most valuable before the launch of a certain policy instrument when there is a need to understand real end-users’ needs, or to understand the constraints of using a new product or service by a particular audience.
Experimental Evidence	Randomised Controlled Trial	An experimental form of policy impact evaluation that is based on the random assignment of the population to a “treatment” group (which receives the policy intervention) or to a “control” group (which does not receive the policy intervention). RCTs will help assess the likely impact of policy interventions and how long it will take before the expected outcomes are realised.
	Quasi-Experimental Design	An empirical experimental form of policy impact evaluation that, unlike Randomised Controlled Trials, is based on a non-random assignment of the population to a “treatment” group (which receives the policy intervention) or to a “control” group (which does not receive the policy intervention).

03. Features of Good Evidence

Not all forms of evidence share equal importance, relevance or weighting. Government entities need to assess what evidence to use based on a number of principles.

These principles include:

Quality, Accuracy and Objectivity through:

- Appropriate research and statistical approaches and methods used to generate evidence; and
- Systematic and transparent collection, analysis and interpretation of evidence.

Credibility, Reliability and Rigour through:

- Credibility and previous experience of individuals or institutions who undertook or funded the study; and

- Breadth and depth of analysis and consideration of a range of perspectives (e.g. engaging multiple stakeholders).

Relevance and Practicality through:

- Timeliness of research;
- Generalisability of results; and
- Accessibility of results.



04. Evidence Synthesis Tools and Techniques

Collection of evidence-based data and research requires a clear process. The primary step is to explore the policy area by investigating existing secondary sources.

To this purpose, early links should be established with government entities, technical and academic experts to identify the full range of data types and sources available and the extent of work already done on policy related issues. Sources of evidence could include:

- Electronic databases (e.g. of Government of Dubai and other best practice organisations', specialists' and policy think tanks' websites);
- Existing emirate, federal and international research, reports, strategic plans and policies;
- Evaluation of existing policies (nationally and internationally);
- Books, journal articles and newspapers; and
- Consultations with government employees and experts in the field.

However, the amount of available evidence could be overwhelming; as such policy makers need to identify the best available evidence by using tools that synthesise, interpret and evaluate available research. Some of these evidence synthesis tools are:

a. Systematic Reviews: A methodological research tool that involves collecting, consolidating and assessing all related empirical evidence that fits certain eligibility criteria.

Steps to conduct systematic reviews are summarised in Figure 2.2.

Figure 2.2: Steps to Conduct Systematic Reviews



Many systematic reviews contain meta-analysis. Meta-analysis is the use of statistical methods to pool and re-analyse quantitative data from individual studies. The rationale for meta-analysis is that by combining the samples of the individual

studies, the overall sample size is increased, thereby improving the statistical power of the analysis as well as the precision of the estimates of policies.

b. Rapid Evidence Assessments (REAs):

A faster methodological research tool than systematic reviews that provides a descriptive outline of the available evidence, assesses them and excludes the ones of poor quality.

c. Evidence Maps: A tool that maps the available evidence in a way that indicates what types of evidence are available, using which types of evidence gathering and evaluation methods, covering which aspects of the policy issue, and with what degree of scientific rigour.

d. Evidence Gap Maps: A tool that uses the information gathered through evidence maps to indicate where there are gaps in the evidence base of a policy issue. This indicates where policy makers need to focus in terms of conducting primary research.

After reviewing existing evidence using one or more of these tools, the next step would be to identify the most critical information gaps, and develop an approach to bridge this gap. It is crucial to prioritise information needs and develop strategies to acquire them through addressing the following issues:

- What are the gaps in existing evidence?
- What additional evidence needs to be collected to address current gaps?
- What research designs are appropriate for those specific research questions, and what are the methodological characteristics of robust research?
- Who will have the responsibility of collecting evidence?
- When will evidence be collected?
- What format is the evidence required in?
- How will evidence be verified to ensure it is accurate and reliable?
- How should evidence findings be disseminated and communicated?
- How can research users be engaged in the evidence production process to ensure more ready application of its findings?

05. Establishing the Policy Baseline

Analysing the evidence-based data that has been collected in order to generate understanding and insights will form the core of the policy project's analytical efforts and will be a key prerequisite in designing effective solutions.

Establishing the policy baseline is a crucial step for confirming the policy hypotheses developed in Chapter 1 and providing an initial reference point against which policy options may be compared at a later stage.

A "baseline" is the collection and analysis of basic information covering the policy background, its history and current position, the problem or opportunity within its current internal and external environments, the effects of current related policies being implemented and the effect of other foreseeable policies.

A baseline will help:

- Assess the basic parameters and trends related to the policy area;
- Outline the policy within its environment;
- Develop a detailed understanding of the policy area;
- Confirm the hypotheses formulated on the policy issues and sub-issues and assess their root causes; and
- Prioritise the key challenges that the policy aims to address.



The baseline should mainly cover:

- Strategic objectives and aims relevant to the policy;
- Historical background, trend and current analyses related to the policy;
- Magnitude of the policy problem or opportunity;
- Groups affected by the policy;
- Assessment of the policy issues, sub-issues and root causes; and
- Past and current policies that have been implemented to address the policy area and their outcomes.

The baseline development utilises two main tools to assess the internal and external environments that affect the policy. These are:

- PESTLE Analysis to analyse external factors relating to the policy; and
- SWOT Analysis to analyse the internal and external operating environments relating to the policy.

a. PESTLE Analysis

PESTLE is an analytical tool used to identify and assess the policy external environment. PESTLE denotes “P” for Political, “E” for Economic, “S” for Socio-Cultural, “T” for Technological, “L” for Legal, and “E” for Environmental factors surrounding the policy as follows:

➔ **Political:** What are the policy’s current and potential influences from the political environment? What are the government’s strategic directions? What are previous and current related policy interventions?

➔ **Economic:** What are the historical and current economic trends affecting the policy? What are their economic impacts on the local and national levels (e.g. inflation, Gross Domestic Product (GDP), trade regulations, etc.)? On the government and the private sectors? On the short, medium and long-terms?

➔ **Socio-Cultural:** How does the policy impact society (e.g. poverty, lifestyle, education, culture, demographics, mobility, inclusion, etc.)? What groups does it target most? How are they impacted?

➔ **Technological:** What technological innovations are likely to affect the policy? Do appropriate technologies exist at the government and private sector levels to support technological change (e.g. systems, patents and licenses, intellectual property, etc.)?

➔ **Legal:** What laws and regulations govern the policy? Is the policy determined by a federal or a local law? Are there opportunities to improve or amend the laws?

➔ **Environmental:** What are the environmental concerns of the policy? How does the policy support or contradict other Dubai, UAE and global environmental policies?

Figure 2.3: Steps to Conduct PESTLE Analysis



The output of this analysis can be used as an input to the SWOT Analysis, covered in Section 5.b.

Table 2.2 provides examples for PESTLE Analysis considerations. It is important to bear in mind that the listed factors are not exhaustive and may not apply to all policies.

Please refer to Annex 2A for a PESTLE Analysis Template.

Table 2.2: Examples of PESTLE Analysis Considerations

Political	Economic	Socio-Cultural
<ul style="list-style-type: none"> Government/strategic directions, objectives and priorities Existing and current policies Government entities’ roles and responsibilities Government processes 	<ul style="list-style-type: none"> UAE and Dubai disposable incomes and economic growth UAE and Dubai GDP composition International economic trends UAE and Dubai employment and unemployment levels Inflation rates (nationally and internationally) Interest and exchange rates (nationally and internationally) Market and trade cycles Taxation issues 	<ul style="list-style-type: none"> Demographic trends Education Health Housing History/culture Religious factors Ethical issues Lifestyle Emiratis’ opinions and attitudes Expatriates’ opinions and attitudes Social inclusion Social cohesion
Technological	Legal	Environmental
<ul style="list-style-type: none"> Technology incentives Technology development potential Technology maturity and rate of change Technology access, licensing and patents Innovation potential Intellectual property issues Research and Development 	<ul style="list-style-type: none"> Employment law Consumer law Health and safety law Industry-specific regulations Environmental regulations Competitive regulations Future legislations 	<ul style="list-style-type: none"> Water management Waste management Environmental protection Energy consumption Carbon emissions

b. SWOT Analysis

An analytical tool used to identify and assess the policy’s internal and external operating environments. SWOT denotes “S” for Strengths, “W” for Weaknesses, “O” for Opportunities and “T” for Threats, as follows:

➔ **Strengths:** What are the strengths in enablers (e.g. human, financial, physical resources, organisational processes and capabilities) that provide the policy with distinctive advantage(s)?

➔ **Weaknesses:** What are the gaps in enablers (e.g. human, financial and physical resources, organisational processes and capabilities) that place the policy at disadvantages?

➔ **Opportunities:** What are favourable external factors that the policy can capitalise on or can enhance its results?

➔ **Threats:** What are unfavourable external factors that may constraint the policy or jeopardise its results?

The SWOT Analysis will provide insights that will ensure the policy capitalises on identified strengths, addresses or eliminates weaknesses, takes advantage of opportunities and mitigates or avoids threats.

Outcomes of the PESTLE Analysis will inform the SWOT Analysis, especially in relation to the “Opportunities” and “Threats” and how they will serve to reduce the “Weaknesses” and further enhance and build on the “Strengths”.

Table 2.3 provides examples of SWOT Analysis considerations. It is important to bear in mind that the listed factors are not exhaustive and may not apply to all policies.

Please refer to Annex 2B for a SWOT Analysis Template.



Table 2.3: Examples of SWOT Analysis Considerations

Strengths	Weaknesses
<ul style="list-style-type: none"> • Are there adequate human resources (number and talent)? • Is there strong leadership support? • Are there enough financial resources? • Are physical facilities appropriate (size, technology, etc.)? • Is there a strong network locally and/or internationally? Is there strong service delivery capability? • Is there a strong operating model (e.g. organisation and governance structures and processes)? • What do stakeholders perceive as key strengths? • What are the unique resources? 	<ul style="list-style-type: none"> • What are the human resource gaps? • Is there limited leadership support? • Is securing financial resources a challenge? • Are there inadequate physical facilities? • What are the causes of performance challenges? • Are there operating model challenges (e.g. organisation and governance structures and processes)? • Is there a weak track record/reputation? • What do stakeholders perceive as key challenges?
Opportunities	Threats
<ul style="list-style-type: none"> • What opportunities do political/governmental developments bring? • What opportunities do economic developments bring? • What opportunities do social developments bring? • What opportunities do technological developments bring? • What opportunities do legal developments bring? • What opportunities do environmental developments bring? • What opportunities do local and international developments bring? 	<ul style="list-style-type: none"> • What threats do political/governmental developments bring? • What threats do economic developments bring? • What threats do social developments bring? • What threats do technological developments bring? • What threats do legal developments bring? • What threats do environmental developments bring? • What threats do local and international developments bring?

06. Benchmarking and Analysing the Policy's Relative Position

After baselining the policy's internal and external environments through PESTLE and SWOT Analyses, and confirming its issues, sub-issues and root causes, the next step would be to benchmark and analyse the policy's relative position. This step is crucial as it allows consideration and adoption of regional and international best practices that the Government of Dubai may aim to emulate or to exceed.

A "benchmark" is a methodological process that provides points of reference for comparing the policy's current performance levels and relative positioning in specific areas to local, regional and international best practice standards.

Benchmarking will help:

- Assess Dubai's position and performance relative to best practice standards;
- Identify opportunities from leading edge countries or cities or entities on how the policy area was addressed, success stories and the underlying enablers;
- Provide policy makers with the latest policy instruments;
- Promote an innovative culture that is receptive to change;
- Set ambitious yet realistic objectives and targets for the Government of Dubai.



Benchmarking should be relevant and applicable to the Government of Dubai and the identified internal and external factors affecting the policy. As such, it is important to take into consideration two characteristics when conducting benchmarking/trend analysis:

➤ Countries or Cities or Entities to Benchmark:

Benchmarks can be sought from within the same entity, or from Government of Dubai entities that might have succeeded in this policy area, as well as from regional and internationally acclaimed best practices. Benchmarks are sometimes sought to learn from policy making challenges elsewhere and identify why certain policies did not work. The main advantages of internal benchmarking are facilitated, timely and efficient access to information. External benchmarking provides opportunities of learning from those who are at the forefront in international rankings and innovation. However, not every best practice solution can be transferred. Potential selection criteria for target benchmarks could be:

- Comparability to the Emirate of Dubai (e.g. similar government, political, institutional, economic, demographic, socio-cultural and institutional conditions and structures);
- Policy objectives (e.g. drivers and their similarity with Dubai drivers); and
- Policy impacts and success (e.g. trend improvements, international rankings, etc.).

➤ Elements to Benchmark: Benchmarking must cover a range of elements such as the policy:

- Areas and dimensions;
- Instruments used to address the policy problem or opportunity;
- Implementation approaches;
- Enablers (including technology, human resources, institutional and governance structures, etc.);
- Monitoring and evaluation systems and tools utilised; and
- Results including the extent to which the policy has achieved its intended targets and whether there have been any unintended or unforeseen drawbacks or benefits.

Please refer to Annex 2C for a Benchmarking Template.

07. Analysing the Policy's Possible Futures

The evidence base on which the new policy is developed needs to not only cover the present, but also to consider how the issue is likely to evolve in the future. The main techniques that can help analyse current trends and project the future are: a) forecasting, and b) scenario planning.

These techniques will be covered in more detail in Appendix 2D; below is a summary of their concepts.

a. Forecasting: Predict the policy's future projections and requirements under different scenarios, based on past trends and assumptions about influencing factors. There are two broad approaches to forecasting: i) quantitative forecasting, and ii) qualitative forecasting.

Quantitative forecasting is based on statistical modelling that relies on the objective and systematic use of historical data to forecast the future. The main quantitative forecasting techniques include:

—> **Time Series Analysis and Projection Models:** Involve observing and assessing time series (i.e. several years) data and extrapolating how the data sequences will continue into the future; and

—> **Causal Models:** Involve observing and assessing the relationships between a set of dependent and independent variables and predicting the dependent variables in the future.

Qualitative forecasting is primarily based on judgment and intuition, especially when there is insufficient quantitative information and data.

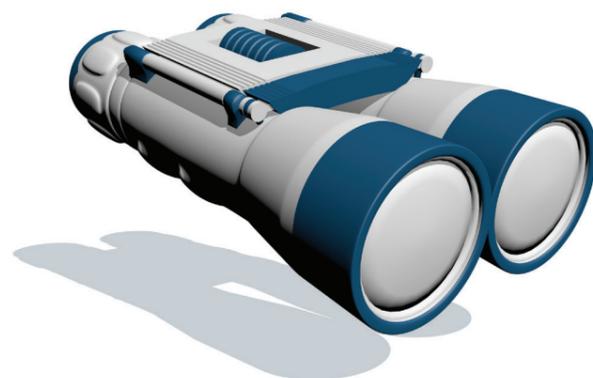
The main qualitative forecasting techniques include:

—> **Consumers'/Citizens' Expectations Methods:** Involve a survey of the customers/citizens and their future needs;

—> **Jury of Executive Opinion Method:** Take, combine and average relevant opinions of experts; and

—> **Delphi Method:** A more formal version of the Jury of Executive Opinion in which a panel of experts is given a situation and asked to make initial predictions on the basis of a prescribed questionnaire.

b. Scenario Planning: Qualitative and quantitative forecasting form the basis of scenario planning. Scenarios are used to identify a number of possible alternative futures and, optionally, how to get there. Scenarios would also include counterfactual analysis that helps predict what is likely to happen without introducing the government policy.



08. Developing the Policy Analytical Report

The output from this phase should be the Policy Analytical Report that sets out clearly the evidence that has been collected and considered and the evidence findings, analysis and conclusions.

The Policy Analytical Report aims to:

- > Create a common understanding among key stakeholders on the policy area, its triggers and magnitude;
- > Identify and utilise available evidence to break down the policy area into its issues, sub-issues and root causes and draw the cause-effect relationships;
- > Provide an evidence-based shared platform to define the policy intended results and subsequently develop and analyse the policy options; and
- > Consolidate an initial structure of subsequent stakeholder engagement documents.

The content of the Policy Analytical Report should be:

- > **Accurate and Complete:** Ensure that analyses are supported by evidence-based data.
- > **Balanced, Clear and Logical:** Ensure that analyses present key findings and include all essential information. Clear sentence structure and organised transitions make it easier to follow through the analysis.
- > **Documented Properly:** Ensure that primary and secondary sources of evidence are appropriately cited to enhance credibility.

Please refer to Annex 2E for a Policy Analytical Report Template.

Box 2.1: Main Questions Addressed in the Policy Analytical Report

- What is the situation? What are the policy issues and sub-issues?
- What are the underlying root causes affecting the policy?
- What is the scale and seriousness of the policy area?
- What relevant evidence sources were utilised to assess the policy area? What are the evidence gaps?
- What are the historic and recent trends across different related sectors?
- What is the current policy response and why is it not working?
- What results can be predicted if nothing is done?
- Has the policy area been addressed elsewhere before? What were the results? What lessons can be learned from others who have tackled this area?
- What are the anticipated future trends and developments which could impact the policy?

09. Evidence-Based Knowledge Management

After assembling, exploring, combining and synthesising the policy evidence, the next step would be to disseminate this evidence through a structured evidence-based knowledge management.

Evidence-based knowledge management is the process of applying a systematic approach to capture, structure, refine, manage, disseminate and effectively use the evidence-based knowledge.

Evidence-based knowledge management has the following objectives:

- Exploit the vast amount of evidence-based knowledge across government entities;
- Connect silos of evidence across different levels of government;
- Provide easy and rapid access to a global evidence-based knowledge base;
- Eliminate time and space constraints in communications;

- Improve decision making;
- Improve accountability and mitigate risks by making informed decisions and resolving issues faster; and
- Stimulate cultural change and innovation.

Evidence-based knowledge management requires entities to capture and streamline all their evidence-based knowledge and piece it together systematically to create a knowledge pool that can be used to facilitate better and more informed decisions. The key evidence-based knowledge management building blocks are depicted in Box 2.2.

Box 2.2: Evidence-Based Knowledge Management Building Blocks

Evidence-Based Knowledge Identification:

Access internal and external evidence-based databases, connect various types of data, evidence suppliers and demanders and create knowledge maps.

Evidence-Based Knowledge Acquisition:

Acquire evidence from various sources such as evidence collected by other entities, stakeholders and experts.

Evidence-Based Knowledge Development:

Conduct research activities intended to produce new internal and external evidence. This also includes evidence organisation through cataloguing, indexing, filtering and linking.

Evidence-Based Knowledge Distribution:

Share evidence-based knowledge through developing the appropriate distribution infrastructures such as groupware and modern forms of interactive management information systems.

Evidence-Based Knowledge Preservation:

Select valuable evidence knowledge for preservation, ensuring its suitable storage and regularly incorporating it into the knowledge database.

Evidence-Based Knowledge Measurement:

Measure evidence-based knowledge sources, quality, depth of processes and capabilities.

Evidence-based knowledge management relies on a number of enablers including:

- Leadership commitment for knowledge sharing;
- Appropriate knowledge management culture including willingness to share and receive knowledge and to invest in knowledge management;
- Organisational capabilities including information seeking, using and learning;
- Provision of adequate ICT infrastructure for connectivity, accessibility and knowledge transfer;
- Partnership and collaboration; and
- Knowledge libraries.

10. Phase Checklist and Deliverables

a. Phase Checklist

Types and Sources of Evidence

- What are the required and available quantitative evidence?
- What are the required and available qualitative evidence?
- What are the other required and available types and sources of evidence (e.g. economic, and/or behavioural and/or experimental evidence)?

Features of Good Evidence

- Does the available evidence meet quality, accuracy and objectivity requirements?
- Does the available evidence meet credibility, reliability and rigour requirements?
- Does the available evidence meet relevance and practicality requirements?

Evidence Synthesis Tools and Techniques

- What are the gaps in current evidence? What additional data needs to be collected?
- What research designs are appropriate for specific research questions?
- Who will have the responsibility for collecting data? When will data be collected?
- What is the required data format? How will the data be verified?

Establishing the Policy Baseline

- What is the historical background, trends and current status of the policy area?
- What is the magnitude of the policy problem or opportunity?
- What is the assessment of the policy external environment utilising PESTLE Analysis?
- What is the assessment of the policy operating environment using SWOT Analysis?
- What is the synthesis of the policy issues, sub-issues and root causes?

Benchmarking and Analysing the Policy's Relative Position

- What will the benchmark countries, cities or entities be?
- What will the benchmark elements be?
- What are the lessons learned from benchmarks?

Analysing the Policy's Possible Futures

- What forecasting methods will be used? What are the future projections? What scenarios will be considered?

Developing the Policy Analytical Report

- What are the key evidence sources, analysis, findings and conclusions?

Evidence-Based Knowledge Management

- What will the processes for adopting evidence-based knowledge management be?

b. Phase Deliverables

The Policy Analytical Report including:

- Collected evidence by type and source (e.g. quantitative, qualitative, economic appraisal, behavioural and experimental evidence)
- Evidence gaps and how to mitigate them
- Policy baseline findings, including PESTLE and SWOT Analyses
- Policy benchmark findings and lessons learned
- Analyses of the policy's possible futures through forecasting and scenario planning



3

**ESTABLISHING
THE POLICY
THEORY OF
CHANGE**



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01. Introduction

a. Phase Overview and Objectives

Having conducted the evidence-based analysis to further define the policy area, its issues, sub-issues and root causes, the third phase of the policy cycle involves defining the Policy Theory of Change, including the policy intended results, as measured by the policy objectives, impacts, outcomes and outputs.

The Policy Theory of Change sets the causal logic of how the policy is supposed to achieve these four different levels of results. It shifts the focus from the policy inputs and activities to the policy objectives, impacts, outcomes, and outputs.

A well-constructed Theory of Change will:

- Provide a clear understanding of the policy intended results, including the planned objectives, impacts, outcomes and outputs and their causal links;
- Provide hypothesis on how change will occur through the policy;
- Provide a clear basis for identifying and appraising options;
- Set clear and quantifiable monitoring and evaluation indicators and targets to measure progress; and
- Provide a powerful communication framework for the different levels of policy results.



b. Phase Duration

The duration required to undertake the “Establishing the Policy Theory of Change” phase will depend on the agreement among stakeholders on the policy objectives, impacts, outcomes, outputs, indicators and targets and the availability of information on proposed indicators and targets. As a general rule, this phase should take between 2 to 4 weeks, especially if extensive stakeholder engagement is required to align on the different levels of the Theory of Change.

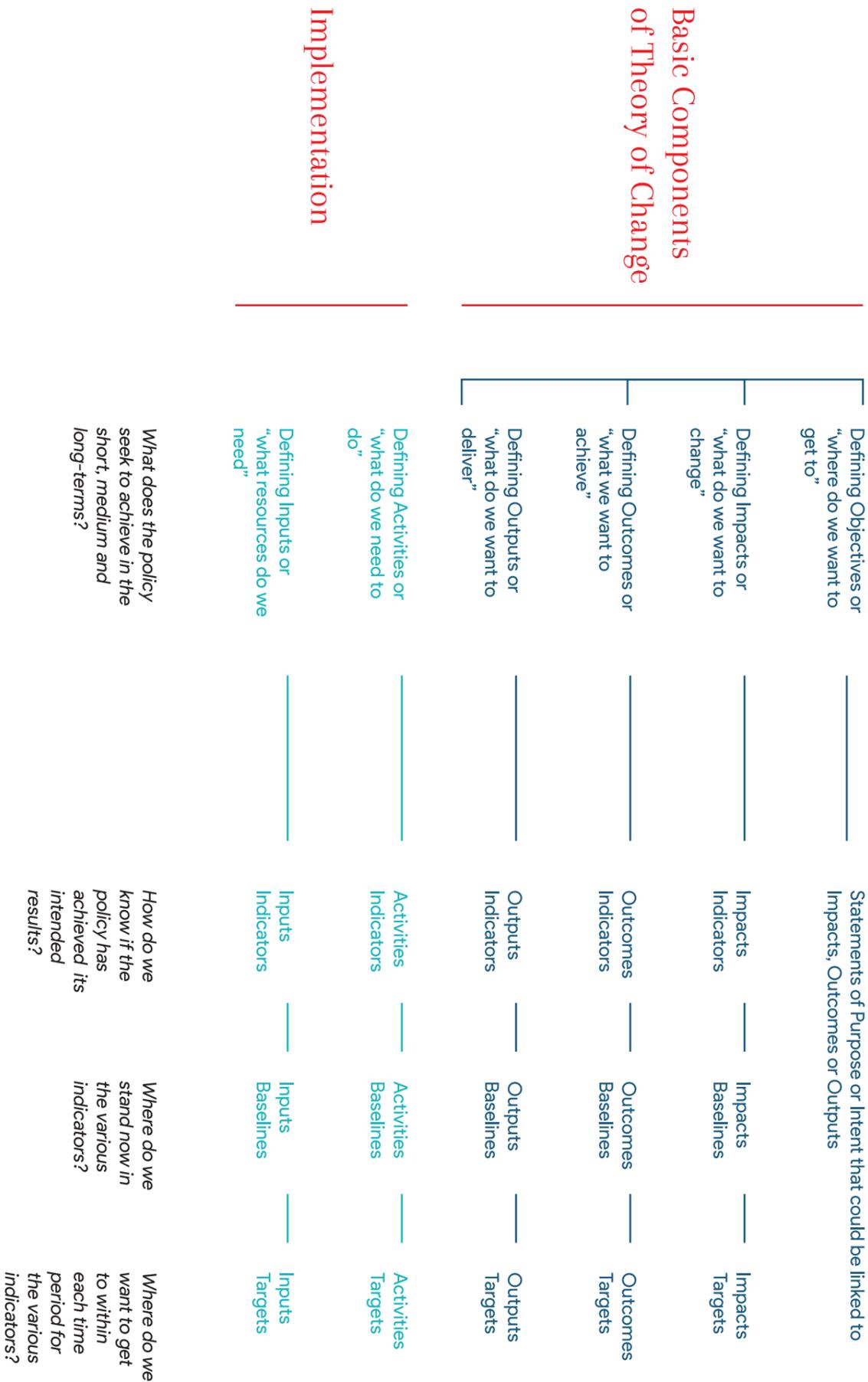
c. Phase Tools and Templates

The following template will be used in the “Establishing the Policy Theory of Change” phase:

- Policy Theory of Change Template (Annex 3A)



Figure 3.1: The Theory of Change Basic Components



02. The Basic Components of the Policy Theory of Change

A good Theory of Change has the following basic components:

➔ **Defined Policy Objectives:** Policy objectives are the starting point for the Theory of Change. The policy area, issues and sub-issues identified in Chapters 1 and 2 should be mirrored in the ultimate policy objectives.

➔ **Defined Policy Impacts:** Having defined the policy objectives, policy makers will then need to work backwards to define the intended impacts, which are the changes in well-being conditions or widespread societal improvements that need to occur in order to achieve these objectives. Impacts are generally long-term.

➔ **Defined Policy Outcomes:** Having defined the objectives and impacts, the next step would be to define the outcomes, which are the required changes in service users, mostly in the form of capacity and performance that will contribute to achieving the impacts. Outcomes are generally short to medium-term.

➔ **Defined Policy Outputs:** Having defined the policy objectives, impacts and outcomes, the next step would be to define the best combination of outputs, which are the products and/or services that need to be produced or delivered to bring about the identified outcomes.

➔ **Defined Indicators and Targets:** The final step in developing the Theory of Change would be to identify indicators relating to impacts, outcomes and outputs. Indicators are key performance measures that will help assess the extent to which desired results have been achieved. Quantifiable targets also need to be set for the various indicators.

➔ **Defined Assumptions:** Going through the process of defining the policy objectives, impacts, outcomes and outputs entails a series of assumptions. Assumptions could be: i) causal links between the policy objectives, impacts and outcomes, ii) causal links between the policy outputs and outcomes, and iii) contextual or environmental factors that may influence the policy impacts and outcomes. Clarifying these assumptions will help identify critical factors for the policy success. Please refer to Figure 3.1 for the Theory of Change basic components.

Credible

- It should be based on relevant quantitative and qualitative evidence.

Achievable

- It should be based on the availability of necessary resources to carry the policy interventions required to achieve the intended outcomes and subsequently impacts.

Testable

- It should be based on SMART indicators that can be used to assess progress and achievements.

Supported

- It should be based on stakeholder engagement while defining and agreeing on the Theory of Change to have a common language.

03. Defining the Policy Objectives

Policy objectives are specific statements of intent that address desired results or accomplishments that the policy aims to achieve.

Policy objectives should:

- Be consistent with the:
 - UAE Vision 2021;
 - Dubai Plan 2021;
 - Government priorities and principles;
 - Sector objectives; and
 - Entity objectives.
- Be directly linked and correspond to the policy area, issues, sub-issues and root causes;
- Be expressed in SMART terms (Specific, Measurable, Achievable, Relevant and Time-Bound). Guidelines on defining SMART policy objectives are covered in Box 3.2; and
- Be integrated in the assessment criteria of alternative policy options, as covered in the following Chapter 4. "Identifying and Appraising Policy Options".

Objectives can be classified as short, medium or long-term as follows:

- **Short-Term Objectives:** The initial expected changes after policy implementation (e.g. changes in knowledge, skills and attitudes). They are typically linked to outputs.
- **Medium-Term Objectives:** The interim results that provide a sense of progress towards reaching the long-term objectives (e.g. changes in behaviour, norms, etc.). They are typically linked to outcomes.
- **Long-Term Objectives:** The results achieved only after the policy has been in place for some time (e.g. changes in mortality, quality of life, etc.). They are typically linked to impacts.



Specific

- Objectives should be precise and clearly defined so as not to be open to varying interpretations; they must be simplistically written and include the “who”, “what” and “where”.

Measurable

- Objectives should define a future desired state in measurable terms, so that it is possible to verify whether the objective has been achieved or not. Such objectives are either quantified or based on a combination of description and scoring scales that focus on “how much” change is expected.

Achievable

- Objectives should be challenging yet realistic given available resources (financial, human resources and time).

Relevant

- Objectives should measure results (i.e. impacts and outcomes) rather than activities and inputs.

Time-Bound

- Objectives should be linked to a timeframe that creates the sense of urgency as to “when” will the objectives be achieved.

SMART



04. Defining the Policy Impacts

Impacts reflect broad, sustainable and long-term changes in the state and conditions of society, the economy and/or the environment.

Sustainable development impacts include, for example:

—> **Social Impacts:** Policy impacts on the social fabric of community and the well-being of individuals and families. Well-being includes life satisfaction, relationships, health, education, employment, community involvement, housing and personal finances.

—> **Economic Impacts:** Policy impacts on economic activity and growth, wages, employment, property values and other macroeconomic indicators.

—> **Environmental Impacts:** Policy impacts on climate, land, water, air and other natural resources, biodiversity, waste, etc.

Impacts refer to the broader effects of the policy and can be conceptualised as the longer term effect of a combination of outcomes and other factors.



05. Defining the Policy Outcomes

Outcomes reflect changes in behaviour, knowledge, attitudes, relationships, activities or actions at different levels impacted by the policy that typically take place in the medium-term, on individuals, families, communities and organisations.

An outcome is a finite and often measurable change. On this basis, the reach of an outcome will be pre-defined and the scope of an outcome will be generally limited.

Outcome indicators describe changes in behaviour, knowledge, attitudes, relationships, activities or actions resulting from the policy. Outcomes may be linked or occur independently of each other.



06. Defining the Policy Outputs

After defining the policy outcomes, policy makers need to start thinking about the potential outputs that would bring about the identified outcomes. Outputs are the products, goods, facilities and services which result from policy interventions.

They may include, but not limited to:

- Providing services;
- Providing training and technical assistance;
- Hiring staff;
- Developing standards and legislative documents; and
- Investing in buildings and infrastructure.

Outputs are the immediate results of the policy options/interventions. Development of policy options is covered in Chapter 4. "Identifying and Appraising Policy Options".

Achievement of outputs relies on the implementation of activities and the utilisation of inputs which will be covered in Chapter 5. "Designing the Policy Solution and Planning Implementation".

07. Setting the Policy Indicators

The ultimate success of the Theory of Change lies in the ability to demonstrate and measure progress towards the achievement of the policy results. Therefore, indicators and measures should be agreed upon at each level of the Theory of Change.

Impacts, outcomes and outputs could need more than one indicator to measure both the qualitative and quantitative aspects. While there is no ideal number of indicators to be assigned, it is important to ask the following questions:

- > Is this indicator absolutely necessary to measure whether progress towards the impact or outcome or output has been achieved?
- > Will this indicator pose additional burden on data collection and analysis?
- > How will the indicator help in policy monitoring and evaluation?

Indicators assigned during the design of the Theory of Change might be modified following the options definition and once the policy monitoring and evaluation framework has been defined.

Quantitative indicators are measures of quantities or amounts and are expressed in terms of numbers, such as:

- > **Units** for example the number of staff that have been trained;
- > **Prices** for example the additional revenues made;
- > **Percentages/Ratios** for example the proportion of a community that has access to a service;
- > **Rates of Change** for example the percentage change in average household income over a reporting period;
- > **Scoring and Ranking** for example the score given out of ten by participants to rate the quality of service received;

—> **Binary Indicators (yes or no)** for example defining whether something has happened or not; and

—> **Indices** for example the UN Human Development Index.

Qualitative indicators are measures of changes in attitudes, knowledge, behaviour and skills that are expressed in words, such as:

—> **Standards** for example the extent to which government services are ISO standard compliant;

—> **Behaviours and Practices** for example the way student practices changed since the completion of the school health program; and

—> **Institutional Changes** for example the effect of open data on government entities' accountabilities to citizens.

Indicators are typically determined using:

- > **Benchmarking Analysis:** Research typical indicators and metrics used in best-in-class government entities to quantify similar and comparable policy objectives, impacts, outcomes and outputs.
- > **External Experts:** Seek input of external experts or international agencies to learn the indicators they use.

The features of good performance indicators are highlighted in Box 3.3.

Box 3.3: Features of Good Performance Indicators

Relevant

- The indicator should relate logically and directly to the government vision and strategies and the realisation of objectives.

Reliable

- The indicator should be accurate and consistent throughout its use and should provide a sensible performance measure of the changes in performance levels.

Well-Defined

- The indicator needs to have a clear and unambiguous definition that is not subject to multiple interpretations or data collection inconsistencies.

Verifiable

- The processes and systems that produce the indicator should be objectively validated.

Cost-Effective

- The usefulness of the indicator must justify the costs of collecting the related data.



08. Setting the Policy Targets

After defining the indicators for the different levels of the Theory of Change, the next step would be to specify the levels of performance, i.e. targets for these indicators. Targets specify the quantitative values of expected change or improvement in indicators and the timeframes by which the targets will be achieved.

The purpose of identifying targets is to:

- Reflect what the policy is ultimately aiming to achieve; and
- Monitor and evaluate the extent to which the policy has achieved its intended impacts, outcomes and outputs.

Identifying targets requires:

- **Setting Baseline Levels:** The target baseline value is the current level of performance that the government aims to improve. Baseline values will be used to track how the policy has improved from the current situation. The baseline is typically the level of performance recorded in the year prior to the policy planning year. In case of annual plans, the baseline will shift each year and the first year's performance

will become the following year's baseline. Where a system for managing performance is being set, initial baseline information may not be available.

- **Setting Target Values:** Indicator target values need to be set through researching other comparable best practices that use the same types of indicators to demonstrate progress, taking into account the levels of development and maturity of the entity in question. Targets are sometimes also set based on leadership directions and aspirations, regardless of the current baseline knowledge.



Table 3.1: Examples of Theories of Change for Selected Government of Dubai Policies

Policy Example	Objectives	Impacts	Outcomes	Outputs	Key Performance Indicators	Targets
Policy to Promote Physical Activity in Dubai	<ul style="list-style-type: none"> Reduce the burden of non-communicable diseases in Dubai by targeting one of the main risk factors, which is the lack of daily physical activity 	<ul style="list-style-type: none"> Reduced mortality rates due to non-communicable diseases Increased life expectancy rates Increased general mental well-being 	<ul style="list-style-type: none"> Improved health awareness Increased physical activity Reduced prevalence of non-communicable diseases 	<ul style="list-style-type: none"> Physical activity guidelines for schools City-wide infrastructure with increased options for physical activity Society-wide awareness campaigns 	<ul style="list-style-type: none"> % of persons who conduct regular physical activity (by age, gender and nationality) Prevalence of diabetes type (B) in Dubai (by age, gender and nationality) (%) Prevalence of obesity in Dubai (by age, gender and nationality) (%) Rate of cardiovascular diseases per 100 thousand population 	<ul style="list-style-type: none"> % of persons who conduct regular physical activity (by gender and by nationality) = 20% increase in 2021 to the 2014 results Prevalence of diabetes type (B) in Dubai (%) = Reduction by 10% in 2021 to the 2014 results Prevalence of obesity in Dubai (by age, gender and nationality) (%) = Reduction by 20% in 2021 to the 2014 results Rate of cardiovascular diseases per 100 thousand population = Reduction by 15% in 2021 to the 2013 result
Human Development for Emiratis Policy	<ul style="list-style-type: none"> Ensure that Emiratis are given every means available to maximise their potential and be the employee of choice for employers in strategic sectors 	<ul style="list-style-type: none"> Increased productivity gains of Emiratis via placement in strategic sectors and up/re-skilling 	<ul style="list-style-type: none"> Increased Emirati labour force participation Increased Emirati participation in strategic sectors and strategic positions 	<ul style="list-style-type: none"> Human capital planning and placement Education and training programs Career guidance programs Labour regulations 	<ul style="list-style-type: none"> Emirati males workforce participation (%) Emirati females workforce participation (%) Share of Emiratis in strategic sectors (%) 	<ul style="list-style-type: none"> Emirati males workforce participation = 69% in 2020 and 71% in 2030 Emirati females workforce participation = 37% in 2020 and 44% in 2030 Share of Emiratis in strategic sectors = 60% in 2020 and 67% in 2030
Carbon Abatement Policy	<ul style="list-style-type: none"> Decrease CO2 emissions 	<ul style="list-style-type: none"> Mitigated climate change 	<ul style="list-style-type: none"> Increased energy consumed from renewable sources Increased use of green vehicles 	<ul style="list-style-type: none"> Provision of solar energy plant and other clean energy sources Provision of dedicated parkings for green vehicles 	<ul style="list-style-type: none"> CO2 emissions per capita (Ton per Capita) CO2 emissions per GDP (Kilogram (KG) per USD) 	<ul style="list-style-type: none"> CO2 emissions per capita (Ton per Capita)= 17.5 Ton per Capita in 2021 CO2 emissions per GDP (KG per USD) = 0.47 KG per USD in 2021

09. Phase Checklist and Deliverables

a. Phase Checklist

Basic Components of the Theory of Change

- What are the basic components of the Policy Theory of Change?
- What are the required linkages between objectives, impacts, outcomes and outputs?

Defining the Policy Objectives

- What are the policy objectives?
- Are policy objectives SMART?
- How do policy objectives link to other parts of the policy analysis?

Defining the Policy Impacts

- What are the policy intended impacts?

Defining the Policy Outcomes

- What are the policy intended outcomes?

Defining the Policy Outputs

- What are the policy intended outputs?

Setting the Policy Indicators

- What are the quantitative indicators for the policy impacts, outcomes and outputs?
- What are the qualitative indicators for the policy impacts, outcomes and outputs?

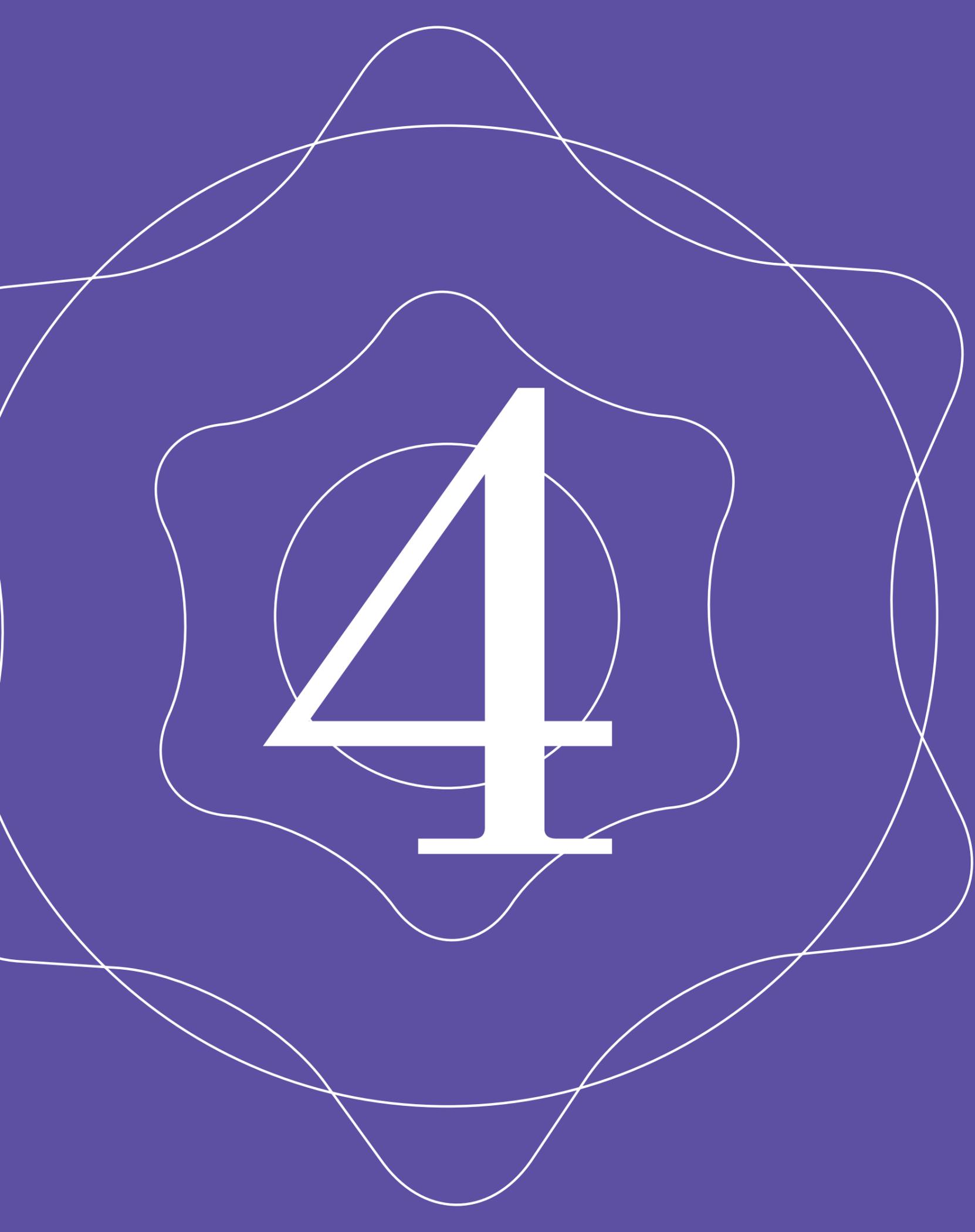
Setting the Policy Targets

- What are the baseline values for the selected indicators?
- What are the target values for the selected indicators?

b. Phase Deliverables

The Policy Theory of Change including definition of the policy:

- Objectives
- Impacts
- Outcomes
- Outputs
- Indicators
- Targets



4

**IDENTIFYING
AND
APPRAISING
POLICY
OPTIONS**



Identifying and Appraising Policy Options

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01. Introduction

a. Phase Overview and Objectives

Having conducted an evidence-based analysis of the policy area and defined the Policy Theory of Change, the fourth phase of the policy cycle involves identifying and appraising alternative policy options to recommend the most relevant, effective, efficient and sustainable one.

Options appraisal is required to:

- Enable informed and transparent decisions regarding the relative advantages and disadvantages of alternative policy options;
- Provide a consistent approach to decision making through the utilisation of the most adequate options appraisal tools and techniques;
- Help achieve the policy's maximum effectiveness and best value-for-money; and
- Provide a clear basis for policy monitoring, evaluation and review.

Options appraisal involves a set of activities that are depicted in Figure 4.1. These activities include:

- Identifying a long-list of alternative options to achieve the intended results;
- Assessing the long-list of options against some qualitative criteria to determine a short-list of suitable options;
- Assessing the monetary and non-monetary costs and benefits of the short-listed options;
- Assessing the risks of the short-listed options;
- Calculating the net present values of the short-listed options; and
- Selecting and recommending the most appropriate option.

Figure 4.1: Stages for Identifying and Appraising Policy Options



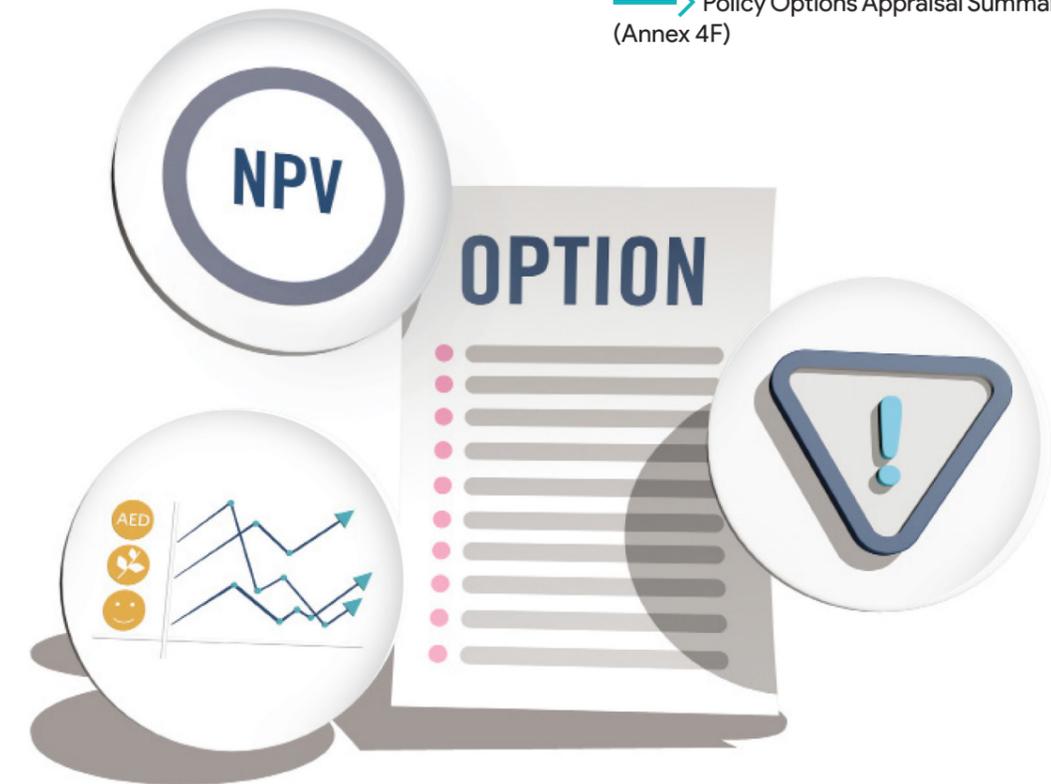
b. Phase Duration

The duration required to undertake the “Identifying and Appraising Policy Options” phase will depend on the number of options to be appraised and the level of complexity of the cost-benefit and risk analyses required. As a general rule, this phase will take between 3 to 6 weeks.

c. Phase Tools and Templates

The following tools and templates will be used in the “Identifying and Appraising Policy Options” phase:

- Overview of the Options' Monetary Costs and Benefits (Annex 4A)
- Overview of the Options' Costs and Benefits for which No Market Price Exists (Annex 4B)
- Overview of the Options' Non-Monetary Costs and Benefits (Annex 4C)
- Overview of the Policy to People (P2P) Impact Assessment Tool (Annex 4D)
- Calculating and Comparing Net Present Values of Policy Options (Annex 4E)
- Policy Options Appraisal Summary (Annex 4F)



02. Identifying a Long-List of Policy Options

This step involves preparing a long-list of potential options which the government could potentially undertake to achieve the intended policy results.

The options should not only include conventional solutions, but also any potential innovative solutions.

The options should include the base case (i.e. the “do nothing” or “status quo” scenario), which is the counterfactual against which all policy results are assessed.

The base case is used to measure the changes resulting from the policy. When thinking about the status quo, it is important to understand not only the current situation, but what will happen in the future if the government takes no further action, taking into account relevant predicted trends (e.g. across society, income, culture, technology, and other factors).

The range of policy options will depend on:

- Reports and data relevant to the policy area and intended results;
- The policy issues, sub-issues and root causes;
- Consultations with stakeholders and experts;
- Information on how the policy area has been addressed previously; and
- Lessons learned from benchmarking best practice policy solutions (national, regional and/or international).

There are five main categories of policy instruments that may be used to achieve the policy intended results. These, as mentioned in the “Introduction to Policy” Chapter and further explained in further detail in Tables 4.1 and 4.2 are:

→ Control/Regulatory Instruments, for example:

- Price and market structure regulations or legislations;
- Standards setting regulations or legislations;
- Prescription and prohibition regulations or legislations; and
- Rights representation regulations or legislations.

→ Direct and Targeted Government Interventions, for example:

- Government’s direct provision of goods and/or services to the public; and
- Government’s contracting of the private sector to provide, build and/or operate particular services.



→ Economic Incentives or Disincentives, for example:

- Taxes;
- Charges;
- Subsidies and vouchers;
- Benefits and grants;
- Permits and quotas;
- Awards of franchises; and
- Government loans, loan guarantees and insurance.

→ Advocacy/Persuasion/ Information Instruments, for example:

- Provision of information to the public;
- Public education campaigning;
- Reporting and disclosure requirements;
- Labelling;
- Advisory services; and
- Representation services.

→ Institutional/Operational Instruments, for example:

- Establishment of entities;
- Changing mandates and functions;
- Centralisation versus decentralisation of services and/or decision making; and
- Changes in the operating models.

At this stage, a high-level description of each of the long-listed options is required, including:

- How it will achieve the policy intended results;
- How it addresses policy requirements;
- How it can be implemented; and
- Its initial high-level cost estimates.

Table 4.1: Categories and Definitions of Potential Policy Instruments and Examples from the Government of Dubai - (Part 1)

Policy Instruments	Definitions	Examples from Government of Dubai Policies
Control/Regulatory Instruments	Price and market structure regulations	Laws and rules that set out the price the public or the private sector can charge for particular goods/services or how companies can organise themselves in relation to other companies. <ul style="list-style-type: none"> School fees restructuring calculator Real estate rent cap calculator Electricity tariffs
	Standards setting regulations	Rules which set standards for particular goods and services and production techniques. <ul style="list-style-type: none"> Schools inspection framework Food health and safety standards Green building codes for lower resource consumption and energy efficiency
	Prescription and prohibition legislations	Rules which state what citizens must/must not do. <ul style="list-style-type: none"> Smoking ban in public places Standards for appliances and equipment to ensure efficiency standards
	Rights representation legislations	Rules which provide citizens with rights and/or representations. <ul style="list-style-type: none"> Child Protection Law Protection of Elderly Rights Law Protection of Women Rights Law Human Rights Law Law on the Protection of the Rights of Persons with Disabilities

Policy Instruments	Definitions	Examples from the Government of Dubai Policies
Direct and Targeted Government Interventions	Government's direct provision of goods and services	Government's direct provision of goods and/or services to the public (e.g. provision of free education, health care, public housing, etc.). <ul style="list-style-type: none"> Public education Public healthcare Housing for Emiratis Public transport Public parks
	Government's indirect provision of goods and services through the private sector	Government's contracting of the private sector to build or operate particular services. <ul style="list-style-type: none"> "Tas'heel" centers which provide Ministry of Human Resources & Emiratisation services through partnership with the private sector "Tasjeel" for Roads and Transport Authority (RTA) vehicle registration
Economic Incentives/Disincentives	Taxes	Raising the prices paid by consumers or costs faced by industries/businesses. <ul style="list-style-type: none"> Value Added Tax Bank Tax imposed on foreign banks (20%)
	Charges	Government charges for services that are consumed. <ul style="list-style-type: none"> "Salik" toll to divert traffic from Sheikh Zayed Road and encourage public transport Water and electricity tariff rates adjustment to promote energy conservation
	Subsidies and vouchers	Government's reduction of the prices paid by the consumers or costs faced by industries/businesses. <ul style="list-style-type: none"> Electricity subsidies for Emiratis Sanad Card for persons with disabilities

Table 4.1: Categories and Definitions of Potential Policy Instruments and Examples from the Government of Dubai - (Part 2)

	Policy Instruments	Definitions	Examples from the Government of Dubai Policies
Economic Incentives/ Disincentives	Benefits and grants	Government's provision of monetary or non-monetary support to entitled target groups.	<ul style="list-style-type: none"> Financial benefits for low-income Emirati households Free land for Emiratis' housing
	Permits and quotas	Government's authorisation or requirements for specific actions.	<ul style="list-style-type: none"> Emiratisation quotas in the private sector Permits to open up schools
	Government loans, loan guarantees and insurance	Government's provision of subsidised or soft loans to support certain target groups (e.g. housing loans).	<ul style="list-style-type: none"> Interest-free loans for Emiratis' housing Small and Medium Enterprises Support Fund
Advocacy/ Persuasion/ Information Instruments	Provision of information to the public	Provision of data or reports to the public.	<ul style="list-style-type: none"> School inspection reports Preventive information on events related to air quality (e.g. sand storms, pollution peaks, etc.)
	Public education campaigning	Launching campaigns to raise awareness and present basic information on particular issues.	<ul style="list-style-type: none"> Awareness campaigns on the rights of persons with disabilities Awareness campaigns on chronic diseases (e.g. diabetes and cardiovascular diseases) Awareness campaigns on the importance of reducing domestic water and electricity consumption

	Policy Instruments	Definitions	Examples from the Government of Dubai Policies
Advocacy/ Persuasion/ Information Instruments	Reporting and disclosure requirements	Government imposed regulations which require entities or the public to provide information.	<ul style="list-style-type: none"> Obligatory financial disclosure of companies listed in Dubai Financial Market
	Labelling	Government requiring manufacturers to state information on products in a certain format.	<ul style="list-style-type: none"> Health risk labels on tobacco products
	Advisory services	Government mobilising experts to provide information and advice to persons or businesses.	<ul style="list-style-type: none"> "Shorik" counseling program to provide direct electronic communication channels between high school students in Dubai and higher education students abroad
	Representation services	Experts appointed to investigate complaints, act on behalf of persons or businesses and mediate fair settlements.	<ul style="list-style-type: none"> Rental Disputes Center to support in-rent related complaints

Table 4.1: Categories and Definitions of Potential Policy Instruments and Examples from the Government of Dubai - (Part 3)

Policy Instruments	Definitions	Examples from the Government of Dubai Policies	
Institutional/Operational Instruments	Establishment of entities/committees	Creation of new entities or committees to undertake new or existing roles and responsibilities.	<ul style="list-style-type: none"> Higher Committee for the Protection of Rights of Persons with Disabilities Land Allocation Committee for Schools Sector Committees supporting the Executive Council Dubai Future Foundation
	Centralisation versus decentralisation of services and/or decision making	Reallocation of roles and responsibilities and re-design of decision making and accountabilities.	<ul style="list-style-type: none"> Transfer of the management of public schools in Dubai from the local to the federal level
	Changes in operating models	Changes in processes and/or approaches and/or tools in doing business.	<ul style="list-style-type: none"> Open Data Policy and Law

Source: Clifton C., Fairman T., Ledbury M., Lee M., Miller N., (2006). 'Understanding Policy Options', (p.4-11), and Examples from the Government of Dubai

Table 4.2: Key Considerations Associated with Various Policy Instruments

Policy Instruments	Key Considerations
Control/Regulatory Instruments	<ul style="list-style-type: none"> Clarify expectations, requirements and/or obligations from people/businesses; Can be inflexible and have unanticipated consequences; and Can produce barriers to entry.
Direct and Targeted Government Interventions	<ul style="list-style-type: none"> Can be delivered by the government or contracted to the private sector; Will ensure goods or services are provided; Can represent transfer of risk from the public to the private sector if contracted out; May have an effect on competition; and Are typically funded by the government.
Economic Incentives/Disincentives	<ul style="list-style-type: none"> Will depend on how individuals or firms are responsive to price/cost changes; and May lead to over-demand or over-supply in some goods/services.
Advocacy/Persuasion/Information Instruments	<ul style="list-style-type: none"> May be relatively rapid instruments to use; Should only be considered if recipients have the capacity and incentives to react to new information; and Effectiveness depends on information targeting, timing and the credibility of the messenger.
Institutional/Operational Instruments	<ul style="list-style-type: none"> Should avoid establishment of entities that duplicate mandates or have insufficient mandates; Will require assessment on how to enhance the efficiency in operations while minimising political resistance; and May require significant change management.

Source: Clifton C., Fairman T., Ledbury M., Lee M., Miller N., (2006). 'Understanding Policy Options', (p.12-13)

03. Short-Listing Policy Options

To keep the policy appraisal process manageable, the long-list of options should be reduced to a short-list which will be appraised in further detail. The short-listed options should be the ones that are most likely to achieve the policy intended results and value-for-money.

To get to the short-listed options, policy makers should conduct a qualitative assessment of the long-list of options along :

—> **Effectiveness:** How does the option fit with other policies and the wider strategic objectives? Will the option achieve the policy intended results? Will the option meet the diverse needs of stakeholders?

—> **Efficiency:** Will the option achieve high value-for-money? Can the option be implemented and delivered efficiently?

—> **Practicality:** Is the option practical and deliverable? Can the option be delivered within acceptable timescale and resources (human and financial)? Does the option require significant legislative changes? What are the key implementation challenges or potential side effects? Can they be managed or minimised?

The options' qualitative appraisal could be converted to a score for each of the criteria above: effectiveness, efficiency and practicality (e.g. a scale of 0 to 10 could be used for each of the criteria). Only the options that achieve high scores should be short-listed and further appraised. Reasons behind the exclusion of some options should be documented.

The number of short-listed options will vary but should generally be in the range of three to six. The short-list should always include the "status quo" option. The "status quo" option will usually provide the base case against which the incremental costs and benefits of each option are determined. Comparing the options with the base case will provide the policy maker with evidence to support the need for government intervention.

Sometimes options are mutually exclusive; this means that if one option was selected, other options are automatically rejected. Sometimes there will be a combination of options to achieve maximum effect (e.g. setting a new curriculum, investing in infrastructure and improving teacher training in order to raise education standards).

For each of the short-listed options, it is necessary to consider the costs, benefits, risks and uncertainties as per the following steps and as described in detail in the following sections:

- > Identifying and valuing the monetary costs and benefits of options;
- > Identifying and valuing the non-monetary costs and benefits of options;
- > Assessing the options' risks and identifying risk management strategies; and
- > Calculating the net present values and conducting sensitivity analysis to account for uncertainties.

Options appraisal mechanisms in the sections below are based on the UK HM Treasury Office Green Book⁶ and the Scottish Capital Investment Manual: Option Appraisal Guide⁷.

Box 4.1: Tips for Presenting the Policy Options

- Presenting the options does not have to be lengthy and detailed; only the crucial information on the options' costs, benefits and risks should be presented.
- There should be consistency in the analysis conducted and the format for presenting each option. This makes it easier for whoever receives the options appraisal to compare the options and draw conclusions based on these comparisons.
- Extra information on specific options may be included in attachments or appendices.

EFFECTIVENESS



PRACTICALITY



EFFICIENCY



⁶UK HM Treasury Office (2003). 'The Green Book: Appraisal and Evaluation in Central Government'

⁷The Scottish Government (2011). 'Scottish Capital Investment Manual: Business Case Guide'

04. Identifying and Valuing the Monetary Costs and Benefits of Options

b. Estimating Costs

Costs should include all direct and indirect costs associated with the provision of goods and services of particular options and for all target groups (e.g. government, businesses, community, etc.).

Costs of goods and services that have been incurred should be excluded from the options appraisal as these are “sunk costs”. What matters are costs for which decisions can still be made.

The UK HM Treasury Office (2003). ‘The Green Book: Appraisal and Evaluation in Central Government’, (p.20), distinguishes between the various costs as follows:

- ➔ **Fixed costs** remain constant over wide ranges of activity for a specified time period (e.g. office building);
- ➔ **Variable costs** vary according to the volume of activity (e.g. training costs that vary by the number of trainees);
- ➔ **Semi-variable costs** include both a fixed and a variable component (e.g. maintenance); and
- ➔ **Semi-fixed costs** remain fixed for a given level of activity, but they eventually increase at some point (e.g. after telephone calls reach a certain level, a new call center may be required).

Box 4.2 provides an overview of the typical cost categories.

a. Introduction

Options appraisal should start by valuing the options’ relevant costs and benefits and calculating the net present values of costs and benefits. Cost-Benefit Analysis is a tool that supports evidence-based policy making through providing a comprehensive forecast of all costs and benefits, to see whether benefits outweigh costs and by how much.

Costs and benefits should be extended over the lifetime of the assets required under the considered options.

Wider social and environmental costs and benefits for which there are no market prices need to be also considered.

Annex 4A provides a template for assessing the options’ monetary costs and benefits.

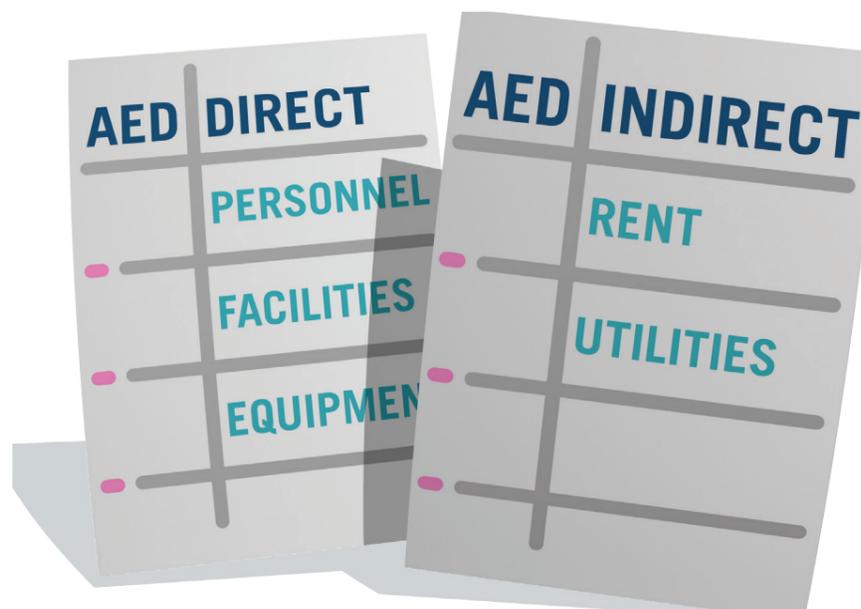


Table 4.3: Example of Short-Listing Policy Options⁸

Policy Issue	Minimising the amount of households’ waste generated in Dubai					
Policy Instruments	Policy Options	Option Effectiveness Score (out of 10)	Option Efficiency Score (out of 10)	Option Practicality Score (out of 10)	Option Total Score (out of 30)	Short-Listed (Yes/No)
Advocacy/ Persuasion/ Information	Policy Option 1: Information leaflets to households to advise them how to produce less waste.	7	8	7	22	Yes
		8	7	7	22	Yes
Direct Government Intervention	Policy Option 2: Starting a new recycling service to collect and recycle elements of household waste such as bottles, aerosols and plastic packaging.	8	7	7	22	Yes
Institutional/ Operational	Policy Option 3: Establishing a new Dubai Waste Management Agency for reducing household waste.	6	6	5	17	No
Economic Disincentive	Policy Option 4: Placing a new charge on households to remove waste above a certain weight or volume or paying small subsidies for each bottle or other item taken to a recycling center.	9	7	7	23	Yes

⁸This example has been developed for concept illustration purposes within the context of this Guide and has not been taken from an actual Government of Dubai public policy.

Box 4.2: Overview of Typical Cost Categories

Initial capital costs such as purchases of:

- Land and buildings
- Equipment/machinery/furniture/vehicles
- Information systems including computers, hardware and software

Other start-up costs such as:

- Development costs (e.g. training and consulting fees)
- Research and design costs (e.g. licenses and patents)
- Testing costs
- Initial security and contingency costs
- Installation costs

Operating costs such as direct production costs, including:

- Consumption of materials and services costs
- Staff costs (including basic salaries, allowances and other overheads)
- Rent costs
- Maintenance costs
- General production costs
- General administrative costs
- Utility costs
- Sales and distribution costs

c. Estimating Benefits

The purpose of valuing benefits is to assess whether an option's benefits exceed its costs or not and to allow alternative options to be systematically compared in terms of their net benefits or net costs.

Appraisals should take into consideration the full benefits to the Emirate of Dubai. These include the direct benefits in addition to the wider benefits, e.g. the effects on other areas of society, the economy and the environment.

A list of benefits that are expected to flow from the policy options should be identified. The list of benefits might include items like:

→ **Revenues** which may result directly or indirectly from the policy (e.g. public works or toll highways). Revenues will be determined by forecasts of the quantities of products and services provided and their real or estimated market prices;

→ **Avoided costs** which are costs which are unavoidable if nothing is done but can be avoided if the policy option is undertaken;

→ **Costs or efficiency savings** which are measurable reductions in existing levels of expenditures if the policy option is undertaken (e.g. staff reductions); and

→ **Social, economic and environmental benefits** which can be quantified. In the absence of an existing reliable and accurate monetary valuation of benefits, a decision must be made whether to commission a study to evaluate these benefits.

d. Valuing/Monetising Costs and Benefits for which there is No Market Value

Most appraisals will identify some costs and benefits for which there is no readily available market data. In these cases, the UK HM Treasury Office (2003). 'The Green Book: Appraisal and Evaluation in Central Government', (p.57), recommends using the following techniques:

→ **Willingness to Pay** which is the maximum amount of money the individual is willing to give up in order to receive the good or service; and

→ **Willingness to Accept** which is the minimum amount of money the individual is willing to be compensated to give up or forego the good or service.

Market based approaches for Willingness to Pay and Willingness to Accept assessment include:

→ **Revealed Preference Technique** which involves inferring the implicit price placed on a good or a service by consumers through examining their behaviour in a similar or related market; and

→ **Stated Preference Technique** which involves the use of constructed questionnaires describing hypothetical choices within a hypothetical market to elicit estimates of Willingness to Pay and Willingness to Accept.

Figure 4.2 depicts these valuation techniques.

Annex 4B provides a template for assessing the costs and benefits for which there is no market value.

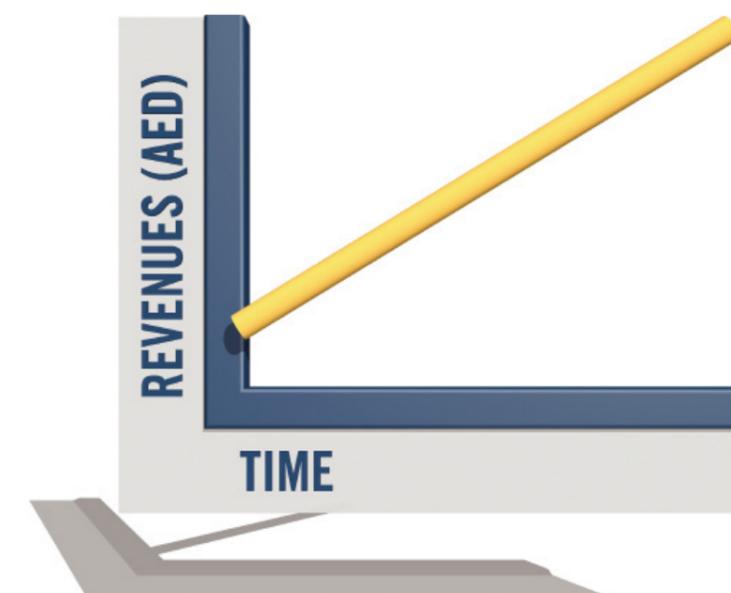
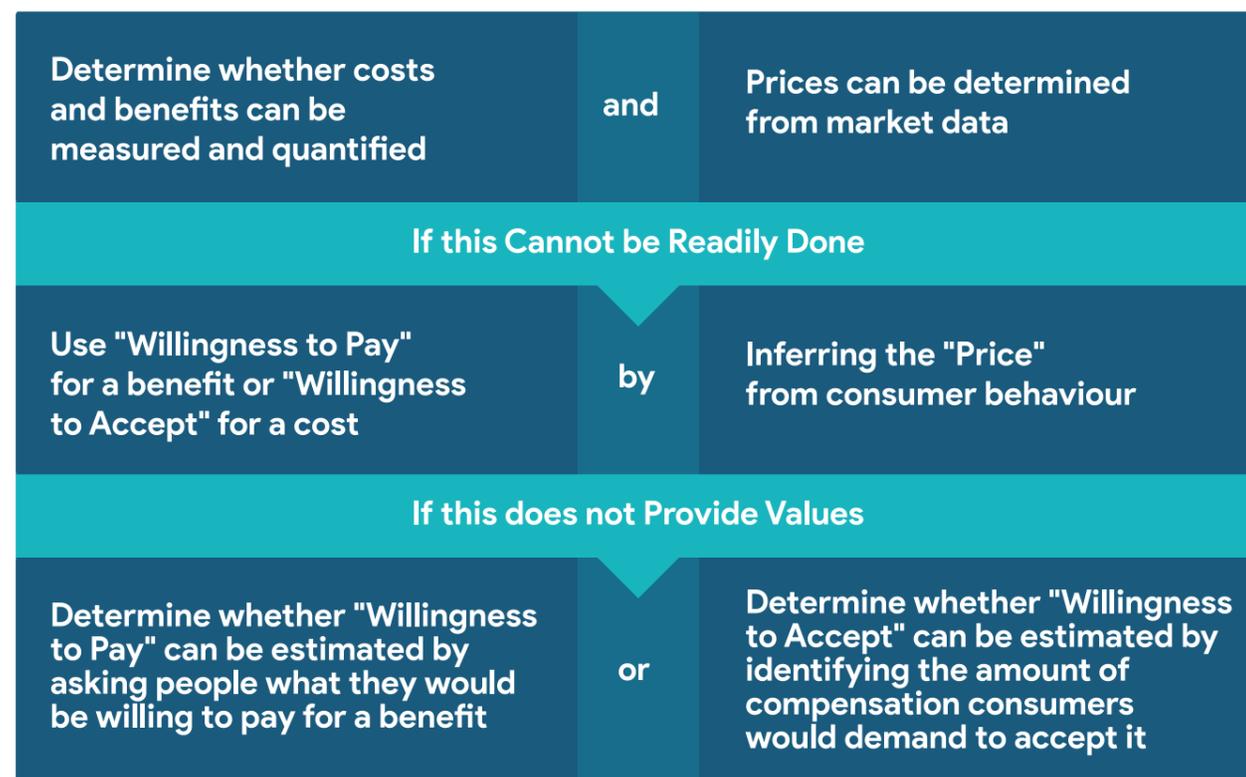


Figure 4.2: Valuation Techniques



Source: UK HM Treasury Office (2003). 'The Green Book: Appraisal and Evaluation in Central Government', (p.23)

05. Identifying and Valuing the Non-Monetary Costs and Benefits of Options

Some costs and benefits can be difficult to value in monetary terms because their impact is unknown or uncertain. Others cannot be valued even if their impact is known because they are difficult to express with a monetary value. These include social, environment and economic sustainability impacts in addition to well-being impacts.

The most common technique to compare unvalued costs and benefits would be to:

- Give a qualitative description for each of the options along defined criteria that typically relate to the policy objectives; or
- Tick a box to indicate that an option meets a certain criteria or dimension; or
- Assign weights to the defined criteria and then score options in terms of how well they perform against those weighted criteria.

Please refer to Table 4.4 for an example. For example, quantifiable impacts which are assessed in physical units (e.g. AED) could be converted to a

score from +10 to -10 (any scale could be used). Unquantifiable impacts can then be converted to a score from -10 to +10, depending on their contribution towards the policy objectives. This score is determined relative to the base case.

Annex 4C provides a template for assessing the options' non-monetary costs and benefits.

A further technique would be to assess and score policy options based on well-being metrics through the application of the Policy to People (P2P) Impact Assessment Tool.

Annex 4D provides an overview of the Dubai-customised Policy to People (P2P) Impact Assessment Tool.

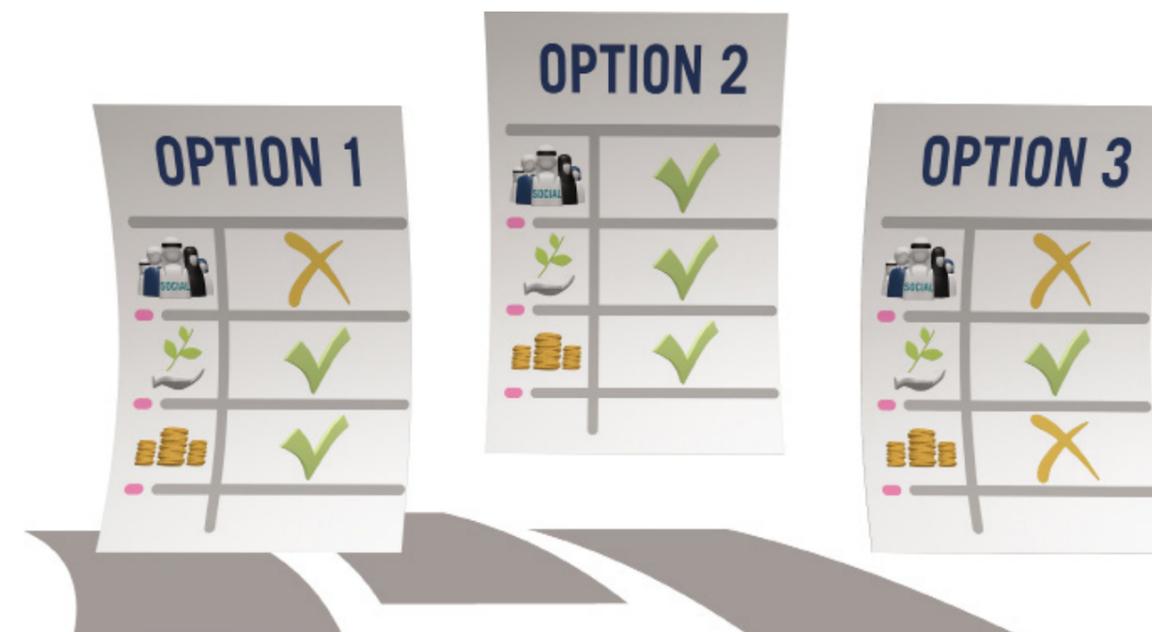


Table 4.4: Example of Identifying and Valuing the Non-Monetary Costs and Benefits of Options⁹

Policy Issue	Improve the use of public transport				
Policy Objectives	<ul style="list-style-type: none"> • Improve quality of life • Improve safety and security for all travellers • Contribute to economic growth • Protect and enhance the environment 				
Policy Objectives	Sub-Objectives (each sub-objective will be assessed out of 10)	Sub-Objective Weight	Policy Option 1: Increase car registration fees	Policy Option 2: Increase the frequency of green public buses	Policy Option 3: Develop customised metro membership cards
Improve quality of life	Reduce time travel index	0.3	8×0.3=2.4	5×0.3=1.5	3×0.3=0.9
	Create opportunities for social contact	0.1	1×0.1=0.1	5×0.1=0.5	7×0.1=0.7
Improve safety, security and health for all travellers	Reduce the risk of death or injury	0.2	7×0.2= 1.4	6×0.2=1.2	5×0.2=1
	Reduce air quality health costs	0.1	8×0.1=0.8	7×0.1=0.7	6×0.1=0.6
Contribute to economic growth	Improve connectivity	0.1	2×0.1=0.2	5×0.1=0.5	6×0.1=0.6
Protect and enhance the environment	Reduce carbon emissions	0.2	8×0.2=1.6	9×0.2=1.8	2×0.2=0.4
Total Option Score (multiplying each sub-objective score out of ten by the sub-objective weight)		1	6.5	6.2	4.2

⁹This example has been developed for concept illustration purposes within the context of this Guide and has not been taken from an actual Government of Dubai public policy.

06. Identifying and Analysing the Risks of Options

In options appraisal, there is always a chance that there will be a difference between actual and expected results because of risks associated with each of the options. As such, risk analysis is a key component of the options appraisal phase.

Risks may occur due to several factors, including but not limited to: economic risks, inaccurate estimation of costs and benefits, as well as legal, financial and other risks, examples of which are:

- Uncertainties in market conditions and their implications on future wages and businesses;
- Under-estimation of required resources;
- Uncertainties in citizens' responsiveness; and/or
- Uncertainties in competition.

Risks should be quantified (where possible) as the product of the:

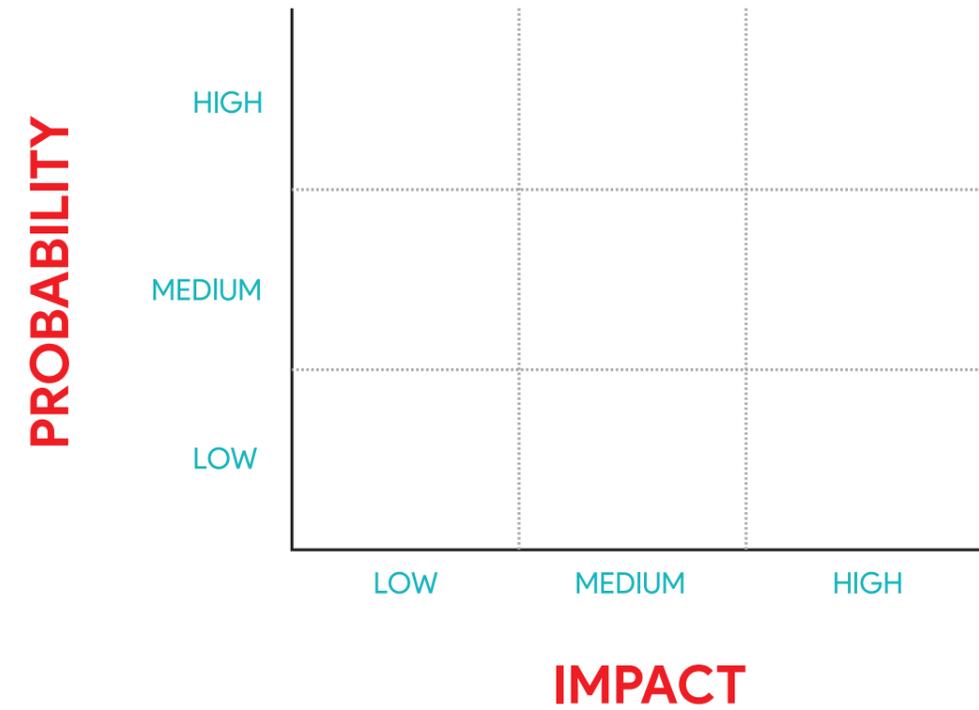
- Likelihood of the risk impacting both policy options' costs or benefits; and
- Risk impact/consequence (i.e. the difference between the expected and the risk adjusted values).

As such, policy makers should address the following risk considerations:

- What are the risks associated with each option?
- Is the risk time-bound?
- What is the likelihood of the risk occurring?
- What are the risk consequences?
- What is the likelihood of the risk resulting in the above consequences?
- Can the identified risks be mitigated or minimised?

In order to assist in evaluating the level of risk associated with each option, Figure 4.3 provides a graphical representation of the risk assessment results. Each risk must be assigned a number and recorded in the relevant box. In addition, once a final option has been agreed, the figure can also be used to prioritise the risks. The Risk Management section of the next chapter highlights potential risk mitigation measures for the selected option.

Figure 4.3: Risk Assessment Framework



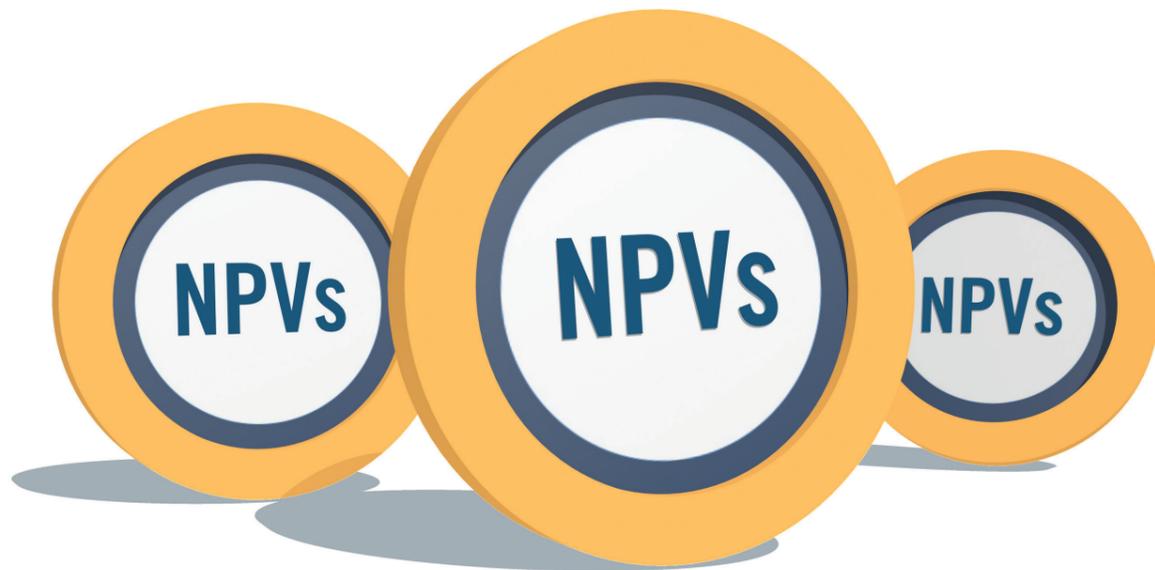
07. Determining the Net Present Values of Costs and Benefits

Costs and benefits identified in the Cost-Benefit Analysis are typically incurred over a number of years and at various times.

For example, building a new railway line has an immediate cost but provides benefits for many years in the future. In order to compare costs and benefits that occur over different time periods, the UK HM Treasury Office (2003). 'The Green Book: Appraisal and Evaluation in Central Government', (p.26-28), recommends using the following approach. The values attached to costs and benefits in future years need to be converted and expressed in "real terms" and "constant" prices (i.e. today's dirham price levels) as opposed to "nominal terms" or "current prices"). The effect of expected inflation on general price levels should be removed by deflating future cash flows by a certain discount factor. The discount factor is a rate used to convert all costs and benefits to "present values" so that they can be compared.

Appraisal of options should therefore include the calculation of the Net Present Value (NPV) for each option. The NPV is the sum of the discounted benefits of an option less the sum of its discounted costs. Where the sum of the discounted costs exceeds that of discounted benefits, the result would be a negative NPV. The decision rule is to select the option that offers the highest NPV.

Annex 4E gives an overview on how to calculate and compare the NPVs of various policy options.



08. Selecting and Recommending the Preferred Option

Having conducted detailed cost-benefit and risk analyses of all options, this step includes selection of the preferred option. The appraisal should take into consideration the monetary and non-monetary costs and benefits of each option and its risks.

The preferred option will provide:

- The best value-for-money option (i.e. not necessarily the cheapest but the one with the highest NPV);
- The highest positive sustainability impacts in terms of volume and outreach (i.e. more people); and
- The least risk of failure.

Once the most suitable option has been selected, the Project Team needs to explain to the Steering Group/Committee which option has been selected and why. This includes understanding the rationale for recommendations and the evidence and the reasons for rejecting the remaining options. Recommendations to the Steering Group/Committee should include at a minimum:

- A clear definition of the policy area;
- A clear explanation of the recommended option(s); and
- A reasoned justification for how the option(s) will address the policy area.

As such, the Policy Options Appraisal Summary should tackle the following components:

- **Effectiveness:** How will the selected option achieve the policy intended objectives and results?
- **Efficiency:** How will the selected option achieve value-for-money?
- **Inclusiveness:** How will the selected option meet the diverse needs of stakeholders?
- **Acceptability:** Will the selected option meet stakeholders' approval?
- **Policy Fit:** Is the selected option consistent with the policy's legislative requirements?
- **Implementation:** Is the selected option practical and deliverable? What are the potential key challenges in its implementation? How can they be managed or minimised?
- **Timing:** Can the selected option be delivered soon enough?
- **Consequences:** Does the selected option have potential side effects?

Please refer to Annex 4F for a Policy Options Appraisal Summary Template.

09. Phase Checklist and Deliverables

a. Phase Checklist

Identifying the Long-List of Policy Options

- What is the long-list of potential policy options that the government could undertake to achieve the intended policy results?
- Have all relevant policy instruments been considered to derive the options' long-list?
- Has a preliminary high-level assessment been conducted to identify how considered options will contribute to the policy results? How they fit within existing or planned policies? How they could be delivered? What are their indicative high-level costs?

Short-Listing Policy Options

- Among the long-list of policy options, what are the options that are most effective (i.e. likely to achieve the policy objectives), most efficient (i.e. most likely to achieve value-for-money), and most practical (i.e. implementable within acceptable financial and human resources and do not require significant legislative changes)?
- Has the status quo (i.e. do nothing option) been considered within the short-list?

Identifying and Valuing the Monetary Costs and Benefits of Options

- What are the options' estimated direct and indirect costs for all groups (i.e. government, business, community, etc.)?
- What are the options' estimated benefits (e.g. additional revenues, reduced costs, increased efficiencies, etc.)?
- What are the "Willingness to Pay" and the "Willingness to Accept" for benefits and costs

for which there is no readily available market data?

Identifying and Valuing the Non-Monetary Costs and Benefits of Options

- What are the options' non-monetary costs and benefits in relation to social, economic, environmental and well-being impacts?
- What are the options' relative weights and scores related to these impacts?

Identifying the Risks of Options

- What are the risks associated with each of the short-listed options and the likelihood of their occurrence?
- What are the consequences of the respective risks?

Determining the Net Present Values of Costs and Benefits

- What are the Net Present Values of the different costs and benefits for the different options?

Selecting and Recommending the Preferred Option

- What is the preferred option after considering the monetary and non-monetary costs and benefits and after calculating the Net Present Values of the costs and benefits?
- Has a Policy Options Appraisal Summary including a clear statement of the policy area, a clear explanation of options, and a justification of the recommended option(s) been prepared?

b. Phase Deliverables

The Policy Options Appraisal Summary, including the:

- Monetary costs and benefits of the short-listed policy options
- Non-monetary costs and benefits of the short-listed policy options
- Risks of the short-listed policy options
- Net Present Values of costs benefits of the short-listed policies
- Recommended policy option(s)



5

**DESIGNING THE
POLICY SOLUTION
AND PLANNING
IMPLEMENTATION**



Designing the Policy Solution and Planning Implementation

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01. Introduction

a. Phase Overview and Objectives

Following the selection of the best policy option, the fifth phase of the policy cycle, “Designing the Policy Solution and Planning Implementation”, includes planning the selected option’s design and implementation so that the intended policy results may be realised.

Successful policy implementation requires a number of building blocks, including:

- Structured implementation planning that sets out the timeframes for the delivery of the policy option activities, key milestones and deliverables, the roles and responsibilities, the required resources (including financial and human resources, systems, etc.) and key dependencies.
- Robust risk management that is built around early identification, assessment and treatment of risks. This includes defining the likelihood and consequences of risks and subsequently developing risk mitigation strategies.
- Clear communication and change management that articulate the reasons for change, commit the right change champions and agents, and define the change management plan.
- Translation of the policy proposal into legislation (if required).

These building blocks will be covered in this chapter.

b. Phase Duration

The duration required to undertake the “Designing the Policy Solution and Planning Implementation” phase will depend on the complexity of the selected policy option and its need to be developed into legislation. As a general rule, this phase will take between 2 to 4 weeks. However, it might take more time if the policy requires drafting new legislation and/or signing Memoranda of Understanding (MoUs) or Service Level Agreements (SLAs) with other government entities, the private sector or non-profit organisations

c. Phase Tools and Templates

The following tools and templates will be used in the “Designing the Policy Solution and Planning Implementation” phase:

- Implementation Plan Template (Annex 5A)
- Risk Management Plan Template (Annex 5B)
- Communication Plan Template (Annex 5C)
- Explanatory Memorandum to the Draft Legislation Template (Annex 5D)
- Legislation Proposal Template (Annex 5E)
- Request Memorandum for Legislation Issuance Template (Annex 5F)

02. Implementation Planning

Implementation planning is a management tool used for the design and delivery of the selected policy option. The implementation plan will show the trajectory policy makers are expected to follow, including required activities, deliverables, timelines, resources, roles and responsibilities and key dependencies to implement the selected policy option.

The main implementation plan components are:

- **Key Activities:** Define the activities that need to be undertaken to deliver the selected policy option and group them into logical work streams, deliverables and milestones. Work streams are the related activities in which the policy may be divided. Deliverables are measurable, tangible or verifiable outputs. Milestones are the checkpoints along the delivery path that indicate if the activity is on track to successful implementation.
- **Implementation Schedule:** Define the timelines required to deliver the key activities. The schedule should provide a logical sequence of activities over time, whether they run concurrently or sequentially.
- **Roles and Responsibilities:** Define the roles, responsibilities and accountabilities of those involved in the policy delivery and the rules and procedures for decision making. To be effective, policy implementation requires that there be a senior responsible officer who is accountable for the policy implementation. The senior responsible officer should formulate a project team of various functional and technical expertise for policy implementation.

→ **Resource Requirements:** This should include:

- **Human Resources:** Define the required and available human resources and skills needed to implement the policy. Where implementation skills for the policy are in short supply, or outside the government entities’ traditional skills, consideration should be given to engaging external experts.
- **Financial Resources:** Define the start-up, capital and operating cost items and when they will be incurred. This should also include sources of funding (e.g. budget), which would require involving the Department of Finance for advice on financing policy implementation.
- **System Resources:** Define the required Information and Communications Technology (ICT) systems, databases and capabilities that are critical for the success of the policy.

→ **Decision Requirements:** Define the policy implementation decision requirements, responsibilities and timelines.

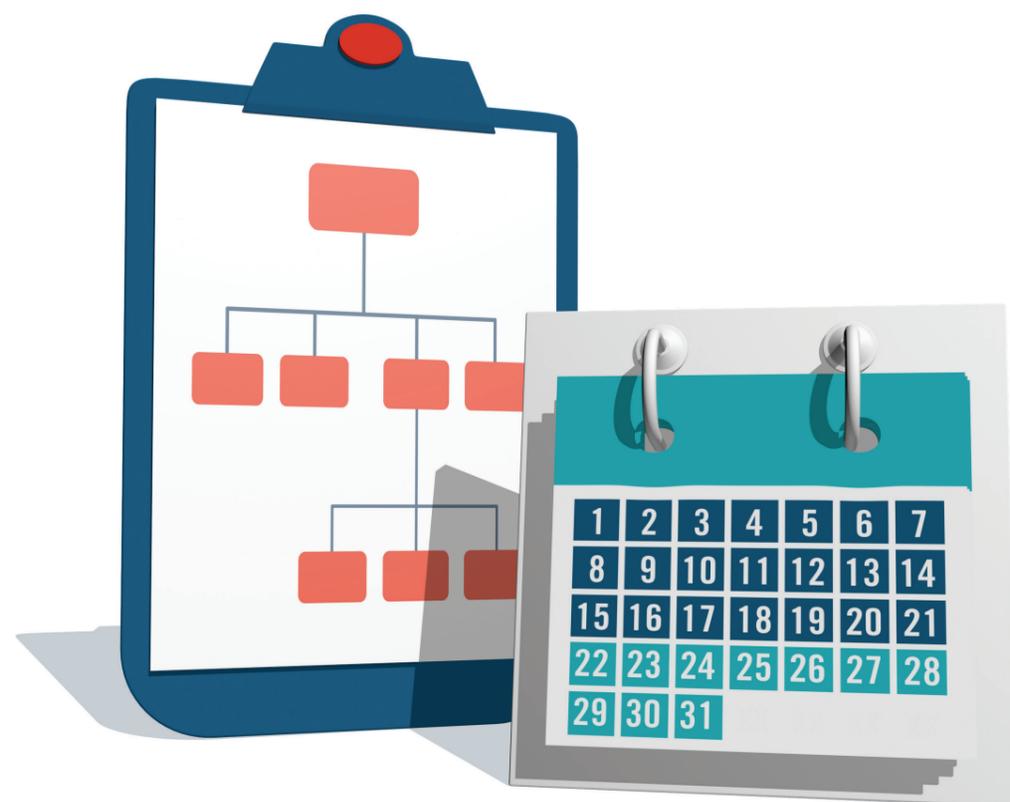
→ **Dependencies:** Define the prerequisites for undertaking policy activities. This includes showing how a slip in time, financial or human resources or in the quality of a deliverable may affect other components of the plan.

Please refer to Annex 5A for an Implementation Plan Template.

Box 5.1: Features of Best Practice Implementation Plans

- Provide a structured, concise and user-friendly approach of how the policy will be implemented.
- Align the policy intended results to the required activities, timelines, roles and responsibilities and dependencies.
- Provide a thought process of the policy critical components and mitigation measures.
- Provide accurate assumptions of the required resources.
- Provide a common understanding among concerned stakeholders and highlight key decision points.
- Avoid poor value-for-money and under-performance because of poor planning.
- Articulate what success looks like clearly and succinctly.

Source: Australian Government, Department of the Prime Minister and the Cabinet (2014). 'Guide to Implementation Planning'



03. Risk Management

Risks faced by the selected policy option should be identified and assessed at the earliest opportunity during the policy design, as covered during the options appraisal phase in the previous chapter, and followed through its implementation. Risk management is a structured approach to identifying, assessing, prioritising, controlling and mitigating risks that emerge during the course of the policy.

A robust risk management framework can lead to:

- Better delivery of the policy option(s);
- More effective and efficient policy implementation;
- Accurate, well-informed judgements and mitigation strategies;
- Policy continuity as planned;
- Better adaptation to unanticipated results;
- More efficient use of resources including waste and fraud minimisation; and
- Innovation promotion.

Elements of risk management depicted in Figure 5.1 include:

- **Establishing the Policy Context:** Understand the policy results, define potential internal and external sources of risks and uncertainty and set the risk scope and criteria.
- **Risk Identification:** Define what, where, when, why and how risks could arise, and the effects this would have on the government entity's ability to achieve its policy results. Risks may also be investigated through engaging relevant stakeholders from the public, private or community sectors.
- **Risk Analysis:** Determine the risk level against risk criteria by understanding how quickly the risks can occur, the sources and causes of risks and the likelihood and consequences of risk occurrence. As such, it involves the following analyses:

- **Risk Source and Hazard Identification:** Identify what could go wrong in terms of potential hazards and undesirable events or deviations from what is intended. Potential risk sources are highlighted in Table 5.1.
- **Likelihood Analysis:** Identify the probability or likelihood of occurrence of each estimated risk scenario.
- **Consequence Analysis:** Identify the consequences that may occur as a result of the event of the risk scenario (e.g. health or financial or reputation consequences).
- **Risk Estimation:** Combine the estimates of the probability and consequence analysis. A risk can be calculated using the formula:
Risk = Probability (or frequency of the event) X Consequence.

→ **Risk Index Calculation:** Determine the risk magnitude so that risk events with a high risk index are given a higher priority over low index events.

→ **Risk Mitigation:** Assess and select risk control measures to modify and mitigate risks by changing the consequences and likelihoods of risk occurrence and developing a risk mitigation plan accordingly. Box 5.3 highlights potential risk mitigation measures.

→ **Communication and Consultation:** Involve the right people to help reduce uncertainty and provide information and reports to the relevant stakeholders.

→ **Monitoring and Review:** Detect changes in the internal and external contexts, emerging risks and measure the performance of risk treatment and mitigation.

Please refer to Annex 5B for a Risk Management Plan Template.

Table 5.1: General Types of Policy Risks

Types of Risks	Description
External Risks	
Political	Changes in government priorities, entities' structures and mandates, geo-political situation, etc.
Economic	Impact of declining oil prices, local and global recessions, inflation, etc.
Socio-Cultural	Demographic changes, increasing pressure on social services, etc.
Technological	Obsolescence of current systems, cost of procuring the best technology available and opportunities arising from technological developments, etc.
Legal/Regulatory	(Potential) changes in legislations that may affect the policy.
Environmental	Actual or potential threats of adverse effects on the general public and the environment by effluents, emissions, wastes, resource depletion, etc.
Delivery Risks	
Project Delivery	Failure to deliver the policy project as per agreed time, budget and specifications.
Service/Product Delivery	Failure to deliver the service/product to the users as per promised or set designs/terms.
Demand	Demand for a service or product did not match planned levels.
Capacity and Capability Risks	
Resources	Insufficient financial resources (e.g. funding, budget, etc.), human resources (skills, recruitment, etc.) and/or physical assets (loss, damage, etc.).
Operations	Overall limited capacity and capability to deliver.
Reputations	Customer/media perception of entities' abilities to fulfil policy requirements.

Source: UK HM Treasury (2004), 'The Orange Book: Management of Risk Principles and Concepts', (p.17)

Figure 5.1: Risk Management Framework



Source: Victorian Government Department of Treasury and Finance (2015), 'Victorian Government Risk Management Framework'

Box 5.2: Features of Best Practice Risk Management Plans

- **Systematic, structured and timely:** Consistently applied, measured and reported throughout the design and the implementation of the policy.
- **Part of the decision making process:** Built into the policy project approval process, in resource allocation and contractual agreements.
- **Transparent and inclusive:** Clearly defined risk components, the likelihood of their occurrence and the likely impacts and the scope of risk monitoring and reporting.
- **Dynamic, iterative and responsive to change:** Incorporated in the implementation and change management plans.
- **Take into consideration human and cultural factors:** Incorporated in the governance framework and organisation culture.

- Early consultation to identify the needs at the outset and avoid costs increasing at a later stage due to poor initial understanding of requirements.
- Avoidance/Deferral of irreversible decisions to allow more time to investigate mitigating measures or alternative ways to achieve objectives.
- Pilot studies to acquire more information about risks and take steps to mitigate adverse consequences or increase benefits.
- Design flexibility to increase the flexibility to make proposals more robust against changes in future demand.
- Precautionary measures to reduce the risks of bad outcomes even when the probability of their occurrence is considered small.
- Procurement/Contractual measures to transfer the risk to other parties.
- Making less use of leading edge technology to adopt simpler methods to reduce risks considerably.
- Reinstating or developing alternative options following risk assessment.
- Commissioning research to confirm or disprove the reliability of new technology or to reassess the nature of danger.
- Abandoning a policy option because it is too risky.

Source: UK HM Treasury (2003). 'The Green Book: Appraisal and Evaluation in Central Government', (p.81)



04. Change Management

Government policies involve inducing change in complex systems and contexts where there are multiple stakeholders and interests, hence the need for change management. Change management is a structured approach to transitioning individuals, teams and organisations from the current state to a desired future state to fulfil or implement the policy.

This would include identifying the reasons for change, the change scope, the change impact on various stakeholders, the change management team and approach as depicted in Figure 5.2.

When thinking about change management, policy makers need to address the following:

- > What is the motivation for change? (e.g. it is visionary and top-down or reactionary and bottom-up?)
- > What is the vision for change?
- > How radical is the required change?
- > How fast does it have to happen?
- > How will existing services be maintained while change is being undertaken?
- > What are the barriers to change and how can they be overcome?
- > What are the sources of resistance and how can they be mitigated?
- > What are the factors that motivate behaviour (e.g. funding, targets, reputation, etc.)?
- > What unintended consequences might arise? How can they be avoided?

Best practice change management plans:

- > Clearly communicate the change vision and objectives early on;
- > Outline the benefits and impacts of change;
- > Ensure that the government entity's leadership actively communicates throughout the change process;
- > Use multiple channels to communicate;
- > Provide opportunities for dialogue;
- > Repeat change messages sufficiently; and
- > Monitor and measure the effectiveness of communications.

Figure 5.2: The Policy Change Management Process



a. Identifying the Reasons for Change and the Change Scope

This step involves identifying the reasons for change including:

- Defining the policy area that necessitated the change;
- Defining the scope and impacts of the change including, for example:
 - Process change if the change requires completely new processes or a variation of existing processes;
 - Systems/technology change if the change requires completely new systems or technologies;
 - People change if the change affects people’s job positions, roles and responsibilities; and/or
 - Information change if the change requires new information generation and/or sharing.
- Defining the size of the change and what will happen when;
- Defining the principles that underpin the change management plan (e.g. inclusiveness, consultation, timeliness, etc.); and
- Documenting the case for change including the objectives that the change process seeks to achieve.

b. Defining the Change Management Team

It is important to get the right people who are fully committed to the change initiative, well respected within the entity and have the power and influence to drive the change effort at various levels. The change management team should represent a variety of functions, departments and levels within the organisation to represent various stakeholders’ concerns.

The Change Management Team should typically consist of:

- Change Sponsor who has the ultimate responsibility and accountability for the change project, defining its scope, providing funding and managing the change team;
- Change Champion who has the overall day-to-day authority, engaging the right people and bringing the change vision to life;
- Change Agent(s) who are responsible for managing the day-to-day change management process and implementation. They could also act as subject matter experts in the change management process.

The team does not need to be working full-time on this but needs to be fully committed to change, have excellent communication skills and business influence. Its members should have clear roles and responsibilities.

c. Defining the Stakeholders Impacted by Change

This step involves identifying the key stakeholders and target groups that will be impacted by the change and their required participation in the change management. Table 5.2 below lists the stakeholders’ potential relationships to change.

This step should also identify stakeholders’ current attitudes towards change, potential concerns and root causes for resistance to change through feedback collection. This analysis will be essential in developing the communication plan.

Table 5.2: Stakeholders’ Potential Relationships to Change

Stakeholders’ Relationships to Change	Description
Driving	<ul style="list-style-type: none"> • Stakeholders that are directly impacted by the change and have some responsibility for the change process. • Their role requires them to lead the change process at the strategic or entity levels.
Advocacy	<ul style="list-style-type: none"> • Stakeholders that are directly impacted by the change and have some responsibility for the change process. • Their role involves facilitation of the change process through support, encouragement and the ability to influence others.
Active Participation	<ul style="list-style-type: none"> • Stakeholders that are directly impacted by the change. • Their role involves changing some aspects of their role and how they do it.
Willingness to Support	<ul style="list-style-type: none"> • Stakeholders that are not directly impacted by the change. • Their role may be to provide assistance in the change process.
Raising Understanding	<ul style="list-style-type: none"> • Stakeholders that are not directly impacted by the change. • Their role may be to raise awareness of the change so they will feel informed.

Source: Queensland Government Chief Information Office, ‘Change Management Plan Workbook and Template’, (p.9)

d. Developing the Change Management Plan

The Change Management Plan should include the following components:

—> **Action Plan** which lists the activities, responsibilities and timeframes for the change management project to be rolled out.

—> **Communication Plan** which should give structure to determine who needs to be targeted and how. The communication plan should include the following components, as described in Table 5.3.

- Objectives;
- Timeline;
- Audience;
- Messages;
- Tools/Channels;
- Risks; and
- Resources.

—> **Training Plan** which should include impacted groups' current and prerequisite levels of skills, knowledge and training programs' requirements for their up-skilling and/or re-skilling.

Please refer to Table 5.3 for the Communication Plan Components.

Please refer to Annex 5C for a Communication Plan Template.



Table 5.3: Communication Plan Components

Components	Description
Objectives	<ul style="list-style-type: none"> • What is the current state? • What is the desired state? • Is the communication aimed at driving behavioural change? (e.g. educating and engaging, generating awareness, etc.).
Timeline	<ul style="list-style-type: none"> • When should the communication be launched? • How frequently should the communication messages be repeated?
Audience	<ul style="list-style-type: none"> • Who is the communication target audience (e.g. audience could be categorised by demography, employment, behaviour, attitudes, etc.)? • What are the needs, priorities, concerns and interests of the target audience? • What drives the target audience?
Messages	<ul style="list-style-type: none"> • Would each target audience need a tailored message? If so, how? • What would the message content, mood, language and design be? • Will the messages be accessible and tailored to the target audience (e.g. messages tailored to those with visual or hearing impairments)?
Tools/Channels	<ul style="list-style-type: none"> • What will the intended audience read, listen to, watch, and engage in? • What communication networks would be used – formal and informal? • Will the communication channels be posters? Fliers and brochures? Press releases? TV ads? Community and national events? Other?
Risks	<ul style="list-style-type: none"> • What are the worst possible reactions to communication? • What are the consequences of not reaching the target audience?
Resources	<ul style="list-style-type: none"> • What are the required human resources for launching the communication plan? • What are the required financial resources for launching the communication plan?
Monitoring and Review	<ul style="list-style-type: none"> • How will success be measured? • How will feedback on the new processes, systems or jobs be collected? • How will areas of resistance be addressed?

Source: Western and Pacific Child Welfare Implementation Center (2013). 'Stakeholder Engagement: Tools for Action', (p.20)

05. Translation of Policy into Legislation

Legislation is a system of principles, standards, procedures, rights and obligations passed and enforced by the government, typically by the Supreme Legislation Committee.

Many new or revised policies require the passage of legislation in order to give government entities the legal basis for policy implementation. Policies that typically require legislation are, as mentioned in the "Introduction to Policy" Chapter:

- Policies of high-level of importance that will require legislation to enforce their principles and achieve their objectives;
- Policies that have long-term operations;
- Policies that give new responsibilities and mandates or clear ownership;
- Policies involving treaties or agreements with external parties; and
- Policies that require amendment to existing legislation, principles, procedures, rights and obligations.

Steps followed in the development of the legislation are explained in Table 5.4 and the templates:

- *Explanatory Memorandum to the Draft Legislation Template (Annex 5D)*
- *Legislation Proposal Template (Annex 5E)*
- *Request Memorandum for Legislation Issuance Template (Annex 5F)*



Table 5.4: The Process of Translating the Policy into Legislation

Government Entity	Supreme Legislation Committee	Concerned Government Entities	Concerned Sector Committee	Authority Responsible for Issuing Legislation
1 Develop the initial policy proposal to be issued as legislation	3a Review the policy proposal in coordination with the concerned Sector Committee	6 Study the draft legislation and coordinate with the Supreme Legislation Committee to reach the final version of the legislation	8 Review the final draft of the legislation	12 Adopt and issue the legislation
2 Develop and submit an explanatory memorandum to the draft legislation	3b Provide preliminary approval on the policy proposal			
4 Develop the policy proposal in the form of legislation and submit to the Supreme Legislation Committee along with a memo for submitting the draft legislation	5 Review the legislation draft and its provisions and ensure that it does not conflict with other legislations at the national and federal levels and ensure that it meets standards of legal drafting			
9 Approve the final version of the legislation	7 Develop the final version of the legislation and submit to the concerned parties for their review			
10 Request legislation issuance	11 Present the legislation in its final version to be adopted by the authority responsible for issuing legislations			

Source: The Government of Dubai Supreme Legislation Committee Handbook

Table 5.5: Examples of Government of Dubai Policies that Required/ Did Not Require Legislations

Policy Examples	Did the Policy Require New Legislation(s)?	Rationale
School Fees Restructuring Policy	X	• Policy required an Executive Council decision but not a legislation to implement it.
School Fees Cap Policy	X	• Policy required an Executive Council decision but not a legislation to implement it.
Elderly Protection Policy	X	• Policy did not require a new legislation as the policy could be implemented within the existing Community Development Authority roles and responsibilities as well as through coordination with other entities.
Youth Development and Protection Policy	X	• Policy did not require a new legislation as the policy could be implemented within the existing Community Development Authority roles and responsibilities as well as through coordination with other entities.
Inflation Policy	X	• Policy did not require a legislation because its implementation power lied within the concerned entities' mandates, roles and responsibilities.
Carbon Abatement Policy	X	• Policy did not require a legislation because its implementation power lied within the concerned entities' mandates, roles and responsibilities.
Human Development for Emiratis Policy	✓	• Policy will require amendments to certain legislations at the sector levels (e.g. quotas in the banking sector) and to the labour and pension laws.
Child Protection Policy	✓	• Policy required federal legislative changes as the existing federal law and regulations did not cover the legislative gaps and policy requirements.
The Rights of Persons with Disabilities Policy	✓	• Policy required a local legislation in order to support and enforce the existing Federal law and regulations at the Emirate of Dubai level.
Financial Benefits Policy	✓	• Policy required a local legislation that stipulated the eligibility criteria and financial benefits levels.
Groundwater Policy	✓	• Policy will require a number of legislations for imposing certain obligations and enforcement measures.

06. Phase Checklist and Deliverables

a. Phase Checklist

Implementation Plan

- What are the key required activities to implement the policy?
- What is the implementation schedule?
- What are the roles and responsibilities?
- What are the human resource requirements?
- What are the financial requirements?
- What are the system requirements?
- What are the decision requirements?
- What are the key dependencies?

Risk Management

- What are the potential risk sources?
- What is the likelihood of risk occurrence?
- What are the risk consequences?
- What is the risk index?
- What are the risk mitigation measures?

Change Management

- What are the reasons for change and the change scope?
- Who is the change management team? What are their roles and responsibilities?
- Who are the stakeholders impacted by the change? What are their participation levels?
- What is the change management plan (including: timeline, objectives, audience, messages, channels, risks and resources)?

Legislation

- Does the policy require the passage of a new legislation or could it be built on existing legislation?

b. Phase Deliverables

- Policy Implementation Plan which includes the policy's key activities, implementation schedule, roles and responsibilities, resource and decision requirements and dependencies
- Policy Risk Management Plan which includes the policy's risk analysis, likelihood, consequence and mitigation measures
- Policy Change Management Plan which includes the change scope, change management team, stakeholders and communication plan
- Legislation (if required)



6

**POLICY
MONITORING,
EVALUATION
AND REVIEW**

Policy Monitoring,
Evaluation and Review



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01. Introduction

a. Phase Overview and Objectives

Following planning the policy option design and implementation, phase six of the policy cycle includes conducting policy monitoring, evaluation and review.

Monitoring and evaluation are important building blocks of a performance-oriented policy cycle to ensure that policy implementation proceeds as planned and that its intended results (i.e. impacts, outcomes and outputs) are achieved as stipulated in the Policy Theory of Change (Chapter 3).

The objectives of monitoring and evaluation are to:

- Determine if the policy project is on track, on time and on budget;
- Detect and resolve any implementation challenges;
- Provide evidence on which policy design and implementation mechanisms work best and why, and which interventions will create the best value-for-money;
- Evaluate the extent to which the policy is achieving or has achieved the desired results;
- Ensure the most efficient and effective use of resources and provide data to plan future resource needs;
- Enhance transparency and accountability especially with regards to how policies have achieved the results for which funding has been allocated;
- Solicit support and advocacy for policy continuation, adjustment or termination; and
- Provide public information and an opportunity for knowledge sharing.

This chapter covers monitoring and evaluation approaches and the required methodologies, activities and templates.

b. Phase Duration

The duration required to undertake the monitoring phase will typically extend throughout the policy implementation. The duration required to undertake the different evaluation forms will depend on the complexity of analysis required and the data collection methods involved. Process evaluations typically take less time than impact and economic evaluations. As a general rule, this phase will take between 4 to 10 weeks.

c. Phase Tools and Templates

The following templates will be provided in the "Policy Monitoring, Evaluation and Review" phase:

- Monitoring Planning Template (Annex 6A)
- Monitoring Reporting Template (Annex 6B)
- Policy Evaluation Project Specifications Template (Annex 6C)
- Overview of the Policy to People (P2P) Impact Assessment Tool (Annex 4D)

02. Comparing Monitoring and Evaluation

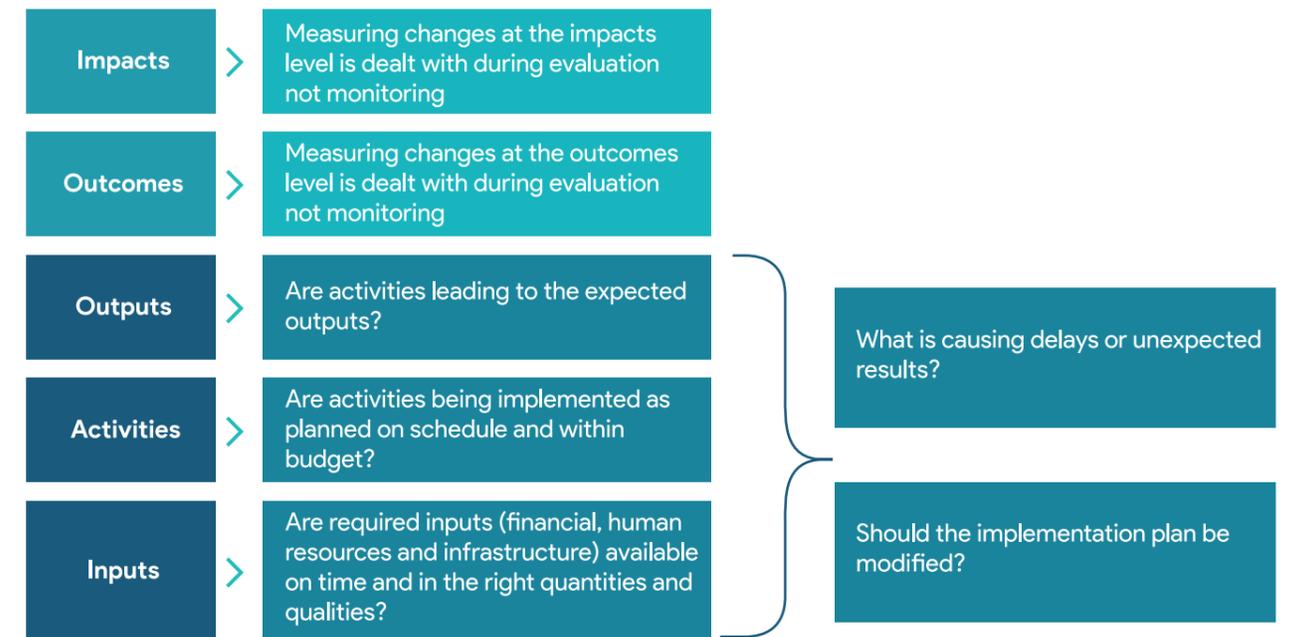
Monitoring and evaluation are two different but interrelated functions as they both contribute to knowledge as the basis for accountability and enhanced performance.

Monitoring is the periodic tracking of the policy progress by systematically collecting and analysing data related to specified indicators to determine if the policy project is on track, on time, on budget and in accordance with planned targets.

Monitoring involves a process of comparison between planned and actual policy implementation and as such serves as an early warning system to detect any policy deviations from plan, for example in terms of deliverables, schedule, budget and quality.

Figure 6.1 depicts typical monitoring questions along the Policy Theory of Change components.

Figure 6.1: Monitoring Questions along the Policy Theory of Change Components



Source: International Federation of Red Cross & Red Crescent Societies (IFRC) (2011). 'Project/Programme Monitoring and Evaluation'

Evaluation is a systematic and objective assessment of the policy results to determine the extent to which the policy has fulfilled its intended effectiveness, efficiency, impact, sustainability and relevance as follows:

➔ **Effectiveness:** To what extent did the policy achieve its intended objectives? Did the policy ensure trust in the government?

➔ **Efficiency:** Was the policy delivered in a cost-efficient and effective manner? Did the policy generate the intended value-for-money?

➔ **Impact:** What changes occurred as a result of the policy? How did changes vary across

individuals, society, businesses, government and other stakeholders? How did actual changes compare with anticipated changes?

➔ **Sustainability:** Are the policy benefits expected to be maintained?

➔ **Relevance:** Were the policy's intended results in line with stakeholders' needs and expectations?

Figure 6.2 depicts typical evaluation questions along the Policy Theory of Change components.

Figure 6.2: Evaluation Questions along the Policy Theory of Change Components

Impacts	➔ What changes did the policy bring? Were there any unplanned or unintended changes? Are the policy benefits expected to be maintained?
Outcomes	➔ Did the policy outputs lead to the desired outcomes?
Outputs	➔ Were the outputs delivered in the right quantities? Did they reach the desired targets? Were they consistent with the needs?
Activities	➔ How were the policy activities implemented? Did the policy conform with its intended design?
Inputs	➔ Were the policy activities and outputs delivered economically?

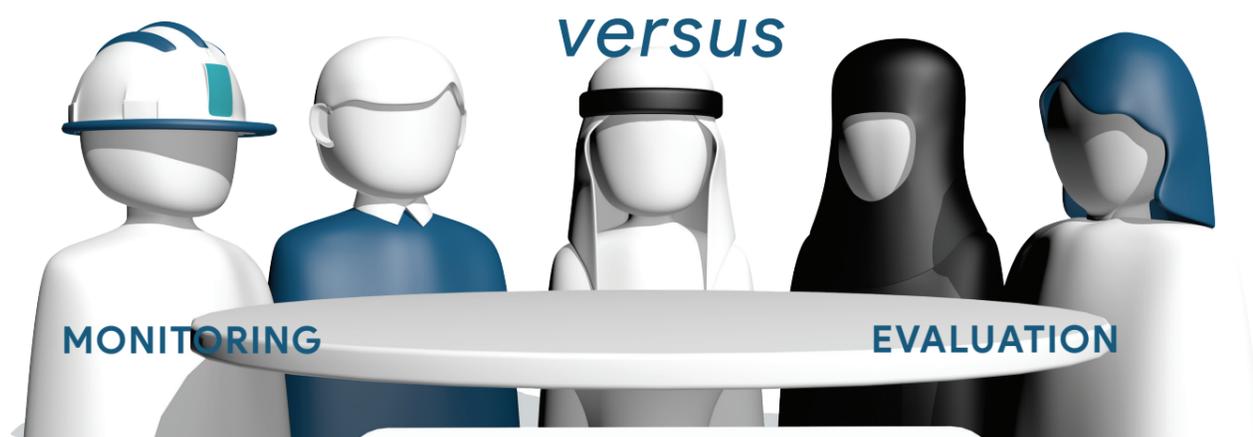
Source: International Federation of Red Cross & Red Crescent Societies (IFRC) (2011). 'Project/Programme Monitoring and Evaluation'

Table 6.1: The Main Differences between Monitoring and Evaluation

	Monitoring	Evaluation
Impacts	<ul style="list-style-type: none"> - Provides oversight/tracking of policy implementation progress, comparing what was delivered to what was planned (in terms of deliverables, timeline, budget and quality). - Gives early warning signals on discrepancies between actual and planned policy implementation to undertake corrective actions. Answers the questions: "are we doing things right" and "where we stand in implementation". 	<ul style="list-style-type: none"> - Assesses policy impact, effectiveness, efficiency, sustainability and relevance during and after policy implementation. - Validates what results were achieved and why they were or were not achieved. - Answers the questions: "are we doing the right things" and "are there better ways of achieving the results".
Focus	<ul style="list-style-type: none"> - Specific and focused on policy outputs, activities and inputs. 	<ul style="list-style-type: none"> - Broad, encompassing policy impacts and outcomes and overall objectives. - Assesses outputs versus inputs, results versus cost and relevance to priorities.
Methodology	<ul style="list-style-type: none"> - Tracks and assesses performance and progress through comparison of outputs, activities and inputs indicators and targets over time. 	<ul style="list-style-type: none"> - Assesses achievements of impacts and outcomes and the extent to which noted changes were due to policy interventions.
Timing	<ul style="list-style-type: none"> - Continuous and repetitive process that takes place periodically (e.g. weekly, or monthly, or quarterly) throughout policy implementation. 	<ul style="list-style-type: none"> - Systematic and time-bound (e.g. following the policy delivery and implementation).
Conduct	<ul style="list-style-type: none"> - Typically conducted by internal management and the policy project manager. 	<ul style="list-style-type: none"> - Typically conducted by independent external evaluators who can be impartial in consulting with entities involved in implementing the policy.

03. Key Guiding Principles for Monitoring and Evaluation

Monitoring and evaluation should be planned as part of the policy design phases. At each stage, different information will be gathered to demonstrate how the policy has been conducted, and what it has resulted in.



Monitoring and evaluation should be guided by the following set of principles:

—> **Setting clear monitoring and evaluation objectives, scope and comprehensiveness levels:**

Define the rationale and objectives for establishing monitoring and evaluation and the required levels of detail and participation.

—> **Defining clear monitoring and evaluation roles and responsibilities and ensuring ownership:**

Define the roles and responsibilities for monitoring and evaluation related activities, assign the related activities, deliverables and timeframes to the various players and hold them accountable.

—> **Providing the necessary enablers for setting up and institutionalising monitoring and evaluation systems:**

Identify and mobilise the required monitoring and evaluation capabilities inside (in case of monitoring) and outside (in case of evaluation) the entity, allocate the required budget and install the right systems.

—> **Identifying the appropriate monitoring and evaluation questions, information requirements, indicators and users of information:**

Identify at the outset, and based on the Policy Theory of Change, what information is required and what indicators will be monitored and evaluated and who will be the monitoring and evaluation audience/users.

—> **Developing a plan for monitoring and evaluation information collection and analysis:**

Develop a plan for gathering, collating, storing and analysing credible, clear, sound and user-friendly information.

—> **Ensuring transparent and quality communication, feedback and stakeholder participation:**

Secure transparent communication with stakeholders across the various monitoring and evaluation stages.

—> **Integrating monitoring and evaluation results to enhance the policy design and implementation:**

Put in place an institutionalised mechanism to integrate feedback from monitoring and evaluation into the policy process and refine the policy design and implementation as needed.

04. Conducting Policy Monitoring

Monitoring involves periodically tracking and reporting on the policy implementation progress. It measures how well policy outputs are achieved using planned activities and inputs (e.g. human, financial and time resources). As such, the primary focus of monitoring is gathering, collating, inspecting and analysing information, in the context of indicators and targets stipulated in the Policy Theory of Change and the Policy Implementation Plan.

The following steps are included as part of the monitoring process:

- ➔ Step 1: Defining the Monitoring Indicators;
- ➔ Step 2: Defining the Monitoring Tools, Data Collection Methods and Systems;
- ➔ Step 3: Gathering and Collating the Monitoring Information;
- ➔ Step 4: Analysing the Monitoring Information; and
- ➔ Step 5: Reporting the Monitoring Analysis.

Please refer to Annex 6A for a Monitoring Planning Template.

a. Step 1: Defining the Monitoring Indicators

The first step in conducting monitoring is to identify who needs the monitoring information, for what purpose, how frequently and in what form. This step also includes defining the monitoring objectives, some of which may be:

- ➔ **Scope Management:** Ensure that all activities required to deliver the policy are completed successfully;

- ➔ **Time Management:** Ensure that the policy activities are completed on schedule;

- ➔ **Cost Management:** Ensure that the policy is completed within the approved budget;

- ➔ **Human Resource Management:** Ensure effective utilisation of the policy team;

- ➔ **Quality Management:** Ensure that policy deliverables meet quality standards and requirements; and

- ➔ **Issues Management:** Ensure that policy issues are escalated and resolved as needed.

b. Step 2: Defining the Monitoring Tools and Systems

Monitoring tools depend on the indicators being tracked, the audience receiving the feedback, the frequency of reporting, and the level of detail required.

Monitoring tools may be categorised into ones focused on: i) progress reporting, or ii) results validation/verification, or iii) participation validation, as depicted in Table 6.2.

Table 6.2: The Main Categories and Examples of Monitoring Tools and Questions

	Reporting	Results Validation	Participation Validation
Monitoring Tools	<ul style="list-style-type: none"> • Monthly, quarterly or annual progress reports • Policy project delivery reports/ documents 	<ul style="list-style-type: none"> • Field visits • Spot check visits • Citizen surveys 	<ul style="list-style-type: none"> • Stakeholder meetings • Focus group meetings • Steering committees participation/ mechanisms
Examples of Monitoring Questions	<p>How well is the policy project being implemented, for example:</p> <ul style="list-style-type: none"> • Is the policy being implemented on time? • Is the policy being implemented within budget? 	<ul style="list-style-type: none"> • Are the policy instruments reaching the intended beneficiaries? • Are policy targets being achieved? 	<ul style="list-style-type: none"> • Are the concerned stakeholders being adequately engaged in the policy? • Is their feedback being sufficiently incorporated and acted upon?

c. Step 3: Gathering and Collating the Monitoring Information

The purpose and nature of data collection varies with the monitoring tools and indicators identified in the planning stages. However, in any case, focus should be placed on data that is relevant, accessible, timely, understandable and accurate.

Gathering and collating monitoring information requires defining the:

- ➔ Data types;
- ➔ Data source(s);
- ➔ Data quality;
- ➔ Data collection methods;
- ➔ Data collection responsibilities; and
- ➔ Data collection timeframes (e.g. weekly, quarterly or monthly).

This requires having dedicated resources (i.e. financial, human resources, Information and Communications Technology, communication mechanisms and tools, etc.) to conduct the monitoring.

Errors in data collection may be due to sampling errors (e.g. incomplete or disproportionate sample) or non-sampling errors due to:

- ➔ Interviewer bias (e.g. subjective interviewer or lack of adequate skills);
- ➔ Inadequate methods (e.g. incomplete or inappropriate questionnaires or poor data collection tools);
- ➔ Processing errors (e.g. inadequate quality assurance or incomplete data); and/or
- ➔ Non-response bias (e.g. questions are not easily understood).

Table 6.3 depicts certain mechanisms for avoiding non-sampling errors.

Table 6.3: Common Data Collection Errors and Mechanisms to Avoid Them

Common Errors	Mechanisms to Avoid Them
Interviewer Bias	<ul style="list-style-type: none"> • Ensure understanding of the data to be collected; and • Practice interviewing and facilitation techniques.
Processing Errors	<ul style="list-style-type: none"> • Standardise interviewer/documentation formatting; and • Computerise data collection methods.
Non-Response Bias	<ul style="list-style-type: none"> • Pre-test the questionnaires and methods; and • Present the questions and methods clearly to ensure participants' understanding.

d. Step 4: Analysing the Monitoring Information

The objective of this step is to transform collected data on credible evidence on the policy implementation. This would include identification of trends, challenges, risks and areas of success with the ultimate objective of improving performance during the delivery of outputs and related activities.

In analysing monitoring information, the following steps may apply:

- Establish the analysis structure, based on the monitoring objectives, focus, scope and audience;
- Organise the monitoring data collected within the context of the defined analysis structure;
- Establish the baseline for the monitoring indicators;
- Review the data collected for the monitoring indicators;
- Analyse patterns, trends and any deviations from plans (e.g. in terms of deliverables, time, budget, quality); and
- Document the findings and establish conclusions and recommendations.

e. Step 5: Reporting the Monitoring Analysis

Monitoring analysis will only be valuable if findings were reported to the concerned stakeholders and decision makers and put into action. To ensure maximum value is received when communicating monitoring findings, it is crucial to consider:

- The stakeholders' preferred mode of communication;
- How stakeholders will be using the information;
- Stakeholders' expectations on reporting;
- The feedback format that would best meet stakeholders' needs; and
- The frequency of reporting.

Please refer to Annex 6B for a Monitoring Reporting Template.

Please refer to Table 6.4 for an illustrative example.

Box 6.1: Tips to Communicate Monitoring Analyses and Findings

- Tailor the information and presentation formats to suit the audience and their needs.
- Provide performance data comparisons over time.
- Avoid inclusion of large "data dumps", where these are not required.
- Present data in a clear and understandable format.
- Include information on the implications of recommendations.
- Ensure all findings are communicated even when they are negative, given the essential integrity, credibility and usefulness of monitoring in driving improvements.

Source: Kusek J., Rist R. (2004). 'Ten Steps to a Results-Based Monitoring and Evaluation System', The World Bank

Table 6.4 : Example of Monitoring a Government of Dubai Policy - (Part 1)

Policy Title: Dubai's Foreign Direct Investment Policy

Dubai's Foreign Direct Investment Policy Schedule Monitoring

Activity	Activity Owner	Planned Start Date	Actual Start Date	Planned End Date	Actual End Date	Status	Challenges/Comments
Create a structure to support investors with their unique challenges	Department of Economic Development-Foreign Direct Investment Office	June 2013	June 2013	June 2014	June 2014	●	None
Formalise investor engagement forums	Department of Economic Development-Foreign Direct Investment Office	September 2013	November 2013	September 2014	November 2014	●	Budget allocation delay

Table 6.4 : Example of Monitoring a Government of Dubai Policy - (Part 2)

Dubai's Foreign Direct Investment Policy Budget Monitoring

Cost Item	Budget (AED)	Actual Spent (AED)	Variance (AED)	Status	Challenges/Comments
Venue costs	10,000	0	10,000	●	Venue was provided by a semi-government entity free of charge
Catering costs	4,000	0	4,000	●	Catering was provided by a sponsor

Dubai's Foreign Direct Investment Key Performance Indicators (KPIs) Monitoring

KPI	Baseline	5-Year Target	1-Year Target	Actual KPI Result	Status	Challenges/Comments
100% of warranted cases processed	Not available	100%	90%	NA	●	Baseline not available and needed to be calculated
Quality of service exceeds investors' expectations in 90% of cases	70%	90%	80%	75%	●	Need to improve the complaints system
100% of addressable cases have an agreed resolution path within 3 weeks	60%	100%	75%	80%	●	No challenges related to the KPI have been recorded
90% of investors are satisfied with forums	90%	90%	90%	90%	●	No challenges related to the KPI have been recorded

Status ● On Track ● Small Variance ● Critical Variance

05. The Policy Evaluation Stages

Appraisals and evaluations form an integral part of the overall policy cycle.

➔ **Appraisals:** Ex-ante policy assessments that provide the policy preparatory diagnostic assessment (as covered in Chapter 1. "Policy Justification and Framework Set-Up" and Chapter 2. "Developing and Analysing the Policy Evidence Base") and a design assessment (as covered in Chapter 4. "Identifying and Appraising Policy Options").

➔ **Evaluations:** Ex-post policy assessments that examine how the policy was designed and carried out and with what results, which could be addressed by these three broad classes of questions:

➔ **How was the policy delivered?** (addressed through process evaluations)

➔ **What difference did the policy make?** (addressed through impact evaluations)

➔ **Did the policy benefits justify the costs?** (addressed through economic evaluations)

The coming sections cover these three evaluation approaches based on the UK HM's Treasury: Magneta Book Guidance for Evaluation¹⁰.

The HM Treasury (2011). 'The Magtena Book Guidance for Evaluation', (p. 40-51), defines six steps in planning, commissioning and undertaking evaluation. These steps are:

➔ Step 1: Identifying the Evaluation Audience and Objectives;

➔ Step 2: Selecting the Evaluation Approach;

➔ Step 3: Identifying the Evaluation Data Requirements;

➔ Step 4: Identifying the Evaluation Resources and Governance Requirements;

➔ Step 5: Conducting the Evaluation; and

➔ Step 6: Disseminating the Evaluation Findings.

¹⁰UK HM Treasury (2011). 'The Magneta Book: Guidance for Evaluation'

Figure 6.3: The Policy Evaluation Stages



<p>Define the evaluation audience/end-users</p> <p>Define the evaluation objectives and scope, including key questions that the evaluation is seeking to answer</p>	<p>Define at what stage will the evaluation be conducted</p> <p>Define whether it is a policy process, impact or economic evaluation</p> <p>Determine the required level of evaluation extensiveness/robustness</p>	<p>Determine what is required to conduct the evaluation</p> <p>Determine what data is already being collected/available and what additional data is needed</p> <p>Determine who will be responsible for collecting the data and the process for data collection</p>	<p>Determine the required and available level of resources (financial and human)</p> <p>Determine the quality assurance process</p> <p>Determine the required governance structure, including the evaluation team</p>	<p>Undertake all evaluation phases (from data collection to analysis)</p>	<p>Determine how evaluation data will be used</p> <p>Determine how evaluation data will be shared and disseminated</p>
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a. Step 1: Identifying the Evaluation Audience and Objectives

The first step in conducting any form of policy evaluation is to identify who are the anticipated evidence users and how they expect to use the evidence findings and results. Policy evaluation users may include: policy makers and analysts within the policy owning government entity, other government entities, citizens, businesses, researchers, universities, think tanks and other interested parties.

This step should also include defining the evaluation objectives, such as:

- ➔ Assessing how was the policy delivered and identifying mechanisms to improve the policy delivery process;
- ➔ Understanding what differences has the policy made and if the policy has achieved its intended results (i.e. policy impacts, outcomes and outputs) as stipulated in the Policy Theory of Change;
- ➔ Assessing the policy costs and benefits and its value-for-money and getting any required funding support;
- ➔ Informing future decision making through lessons learned from policy design and implementation; and
- ➔ Providing accountability to stakeholders and the public on the policy delivery and results.

b. Step 2: Selecting the Evaluation Approach

This step includes selecting the appropriate evaluation approach. The choice of the evaluation approach will depend on the:

- ➔ Evaluation objectives and research questions;
- ➔ Complexity of the policy planned impacts, outcomes, outputs and inputs;
- ➔ Availability and reliability of existing evidence;
- ➔ Availability of data sources and measurability of outcomes and impacts;
- ➔ Availability of resources (time, human and financial resources); and
- ➔ Required level of evaluation robustness.

There are three main types of evaluation that are covered in more depth in the following sections. These are:

- ➔ **Process Evaluations:** Use a variety of qualitative and quantitative techniques to assess how policies were implemented and delivered;
- ➔ **Impact Evaluations:** Use quantitative data to assess whether the policies have yielded any changes in impacts or outcomes as stipulated in the Policy Theory of Change; and

➔ **Economic Evaluations:** Assess the costs and benefits associated with policies and translate their estimated impacts into economic terms to provide cost-benefit analysis.

c. Step 3: Identifying the Evaluation Data Requirements

A good evaluation relies on good quality data. Data collection might be initiated before the policy is actually implemented, to ensure that the baseline for the policy situation is well captured.

Identifying data requirements requires determining:

- ➔ Data types (e.g. data on policy inputs, outputs, outcomes or impacts);
- ➔ Data source(s) (e.g. commissioned surveys, interviews, etc.);
- ➔ Data quality;
- ➔ Data collection methods (e.g. in-house or externally commissioned);
- ➔ Data collection responsibilities; and
- ➔ Data collection timeframe (e.g. weekly, quarterly or monthly).

d. Step 4: Identifying the Evaluation Resources and Governance Requirements

Policy evaluations require committing different types of resources. These include, but may not be limited to:

- ➔ **Financial Resources:** Cost of conducting the evaluation. This will depend on whether evaluation data already exists or is being collected through monitoring activities. Data collection efforts might increase significantly if the policy is novel or targeting hard to measure outcomes and impacts.
- ➔ **Management Resources:** A dedicated project manager and team who are responsible for the day-to-day management of the evaluation, advising the evaluation contractors, responding to issues that develop and commissioning external evaluations (if needed).
- ➔ **Analytical Support:** Internal analytical specialists (e.g. economists, statisticians, occupational psychologists, etc.) who will be needed for advice on evaluation approaches and outputs.
- ➔ **Delivery Bodies:** Organisations and individuals involved in delivering the policy.
- ➔ **Stakeholders:** People or organisations directly or indirectly affected by the policy.
- ➔ **Time:** The timing of evaluation will depend on the required data collection methods and robustness as well as the outcomes and impacts affected by the policy.
- ➔ **Systems:** The required Information and Communications Technology systems that are adequate for data analysis, record management and reporting.

Policy evaluation resources need to be proportionate to the policy risks, scale and profile, according to the factors depicted in Table 6.5.

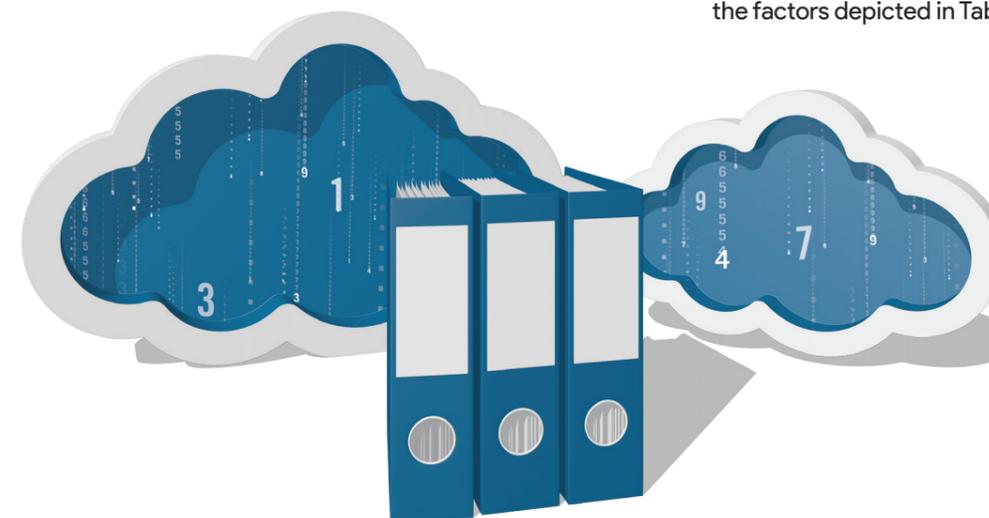


Table 6.5: Determinants of the Required Policy Evaluation Resources and Governance

Factors	Description
Policy Risk	High-risk policies require robust evaluations to understand the policy impacts and demonstrate the scale of returns on the policy investment.
Policy Scale, Value and Profile	Large scale, high-profile, high-impact or innovative policies are likely to require robust evaluations to build evidence on what works, meet accountability requirements and demonstrate that public money is well-spent.
Policy Pilots	Pilot or demonstration policies where there is a prospect of repetition or wider policy roll-out require robust evaluations to inform future activities.
Policy Generalisability	Policies where evidence findings may be generalised and which will have much wider evidence than the policy being evaluated, may need to allocate more resources to ensure that the results can be generalised with confidence.
Policy Influence	If the evaluation can provide information which can have a large influence on future policies, more resources are likely to be justified.
Variability of Impacts	Policies with highly uncertain outcomes or significant behavioural effects that are difficult to isolate require more robust evaluation.
Policy Evidence Base	If the existing evidence is poor or under-researched, evaluation is likely to require more resources to fill in the gaps.

Source: UK HM Treasury (2011). 'The Magneta Book: Guidance for Evaluation', (p.36)

Evaluations, whether conducted internally or commissioned externally will often require significant inputs to ensure they are designed and delivered successfully.

Large evaluations with extensive data collection require setting up the appropriate governance structures, including a project manager/owner to oversee the evaluation and a steering group to govern the evaluation.

Roles and responsibilities of the governance team include:

- Developing the Evaluation Project Specification/Terms of Reference (*Please refer to Annex 6C for an Evaluation Project Specification Template*);
- Commissioning an external entity (if required) to set the evaluation questions and design the evaluation methods and analysis;
- Ensuring appropriate data/information collection;
- Monitoring the evaluation process to ensure its objectives are met, within the planned time and resources; and
- Conducting quality control and assurance.

e. Step 5: Conducting the Evaluation

Once the evaluation objectives, approach, data and governance requirements have been determined, evaluation should be conducted and delivered in accordance with the Evaluation Project Specifications. Typical considerations include:

- Tendering the evaluation (if it will be externally commissioned);
- Managing the overall evaluation process (including the project schedule, budget and risk management) and ensuring the project is delivered as planned;
- Conducting data collection;
- Conducting data analysis; and
- Conducting stakeholder engagement.

f. Step 6: Disseminating the Evaluation Findings

Once the evaluation has been conducted, the Evaluation Team should agree on how the evaluation findings will be presented, used and disseminated, for example, whether there would be a technical report, an executive summary or presentations.

Typically, reporting of evaluation results will depend on the type of evaluation and should include:

- Evaluation objectives and audience;
- Research questions addressed in the evaluation;
- Data collection methodologies;
- Data collection and evaluation limitations;
- Evaluation analysis and findings; and
- Recommendations made on the basis of the evaluation results.



Box 6.2: Tips to Ensure Quality Control of Evaluations

- Quality control should be built into the evaluation. Quality control ensures that evaluation design, planning and delivery are properly conducted and conform to professional standards.
- Quality control will identify and understand any weaknesses in the evaluation methodology, design, data collection and data analysis early enough for changes to be made.

Quality control requires the following principles:

- Independence and objectivity of the evaluator;
- Inclusion of recipients, delivery bodies or stakeholders to enhance learning from stakeholders and ensure acceptance of results;
- Transparency on why, how and when the evaluation will be conducted and how its results will be utilised;
- Robustness both in terms of providing credible evidence to answer the research questions and/or the research findings; and
- Accurate and clear reporting and presentation of evidence results.

Source: UK HM Treasury (2011). 'The Magneta Book: Guidance for Evaluation', (p.33)

06. Conducting Policy Process Evaluations

a. What are Process Evaluations?

Process evaluations assess how the policy was implemented, operated and delivered, and what factors have helped or hindered their effectiveness.

A process evaluation may be conducted any time, once or regularly throughout the policy implementation, and is intended to:

- Understand and assess the policy delivery and implementation process;
- Check that policy delivery is on track and provide insights on how to enhance the policy;
- Obtain early warnings on any operational difficulties;
- Detect any inefficiencies in resource utilisation;
- Flag any complaints or suggestions about the policy outputs or service delivery; and
- Identify factors that have helped or hindered the policy effectiveness.

b. What Questions do Process Evaluations Address?

The policy document and implementation plans described in Chapters 4 and 5 identify how the policy is intended to be designed, implemented and delivered.

Process evaluations should aim to describe and analyse the following:

- How was the policy implemented and delivered, including the intended versus actual policy:
 - Design (including outputs and activities);
 - Recipients (i.e. who participated, who did not and why);
 - Access (i.e. processes put in place to facilitate delivery);

- Organisational structures and resources; and
- Implementation, any impediments and how they have been addressed.

→ How did the policy conform with its intended design, including:

- The extent to which the policy instrument(s) helped meet the policy intended results; and
- Where the policy instrument(s) did not function as intended and why.

c. What are the Data Collection Considerations when Designing Process Evaluations?

When designing process evaluations, the UK HM Treasury (2011). 'The Magneta Book: Guidance for Evaluation', (p.89-90), specifies a number of design principles when selecting data collection methods. These are:

- Clear research questions that can be addressed through the policy delivery and implementation evaluation;
- Coherence between the research questions considered and the data collected and analysed;
- Coherence between the research questions and settings studied (i.e. locations, organisations, contexts or groups covered in the collected data);
- Coherence between the research and the data collection methods used; and
- Comparisons being built into the design (e.g. comparing the responses of two groups: the "control" group versus the "intervention" group).

Table 6.6 provides a list of questions to use as a guide when designing process evaluation questions.

Table 6.6: Key Considerations for Process Evaluations

Key Questions	Considerations
What types of data will be required to answer each research question?	<ul style="list-style-type: none"> Is numerical data required? Is factual data required? Is observational data required? Is data to describe people’s experiences, opinions and views required? Will a combination of these types of data be required?
Who can provide this data?	<ul style="list-style-type: none"> Which participants, service providers, stakeholders, databases, etc. would have this data and/or need to be consulted? Will researchers be able to get access to this data? Are there any potential sensitivities in collecting data from these groups, areas, databases, etc.?
What section of the population of interest should data be collected from?	<ul style="list-style-type: none"> Who is the population of interest? Will the research be a census of all population of interest or will a sample of the population be studied? For qualitative data, what ranges of people, experiences, organisations, contexts, etc. need to be covered? For quantitative data, what types of estimates will the data need to provide? What impact does this have on the required sample size? For qualitative and quantitative data, what sampling frames are available or will need to be created?
How will data be collected?	<ul style="list-style-type: none"> Which data collection method is best placed to provide the required data? Is the data already collected or will new data collection methods be required? When should the data be collected? How will the data be validated? Who will collect the data?
How will data be analysed?	<ul style="list-style-type: none"> What data analysis method will be utilised? Does the data analysis method require a particular sample size or type of data to have been collected?

Source: UK HM Treasury (2011). ‘The Magneta Book: Guidance for Evaluation’, (p.91)

d. What are the Data Collection Methods for Process Evaluations?

Process evaluations may include several data collection methods, such as:

- Content analysis of policy documents;
- Monitoring reports;

- Stakeholder interviews;
- Surveys; and
- Systematic social observations.

Table 6.7 describes each of the data collection methods, their advantages and disadvantages.

Table 6.7: Advantages and Disadvantages of Alternative Process Evaluations Data Collection Methods - (Part 1)

Data Collection Method	Description	Advantages	Disadvantages
Content Analysis of Policy Documents/ Materials	<ul style="list-style-type: none"> Systematic review(s) of existing documents that are associated with the actual or intended policy implementation and operation. 	<ul style="list-style-type: none"> Provide credible, objective and non-biased data. 	<ul style="list-style-type: none"> Could provide oversimplified and incomplete information.
Monitoring Reports	<ul style="list-style-type: none"> Monitoring reports developed as part of the policy monitoring process to assess the extent of the policy progress towards pre-determined objectives and to envisaged outputs, timeline, budget and quality. 	<ul style="list-style-type: none"> Provide a quantitative and objective measure of policy delivery. 	<ul style="list-style-type: none"> Could provide inaccurate information as its accuracy depends on the accuracy of monitoring systems; and Could require time consuming data interpretation if the information was not collected originally for the purposes of substantiating evaluation.
Stakeholder Interviews	<ul style="list-style-type: none"> Interviews conducted in-person or over telephone to get stakeholders’ perspectives on the policy implementation, operations, processes and results. 	<ul style="list-style-type: none"> Permit face-to-face contact with respondents; Allow flexibility in administering interviews to particular individuals or circumstances; Allow evaluators to assess and compare stakeholders’ responses; and Provide opportunities to explore topics in detail, yielding rich data, details and new insights and increasing the likelihood of useful responses. 	<ul style="list-style-type: none"> Could be expensive and time-consuming and need well-qualified and highly trained interviewers; and Could yield incomplete, inaccurate or inconsistent information because of certain biases or selective perceptions.

Table 6.7: Advantages and Disadvantages of Alternative Process Evaluation Data Collection Methods - (Part 2)

Data Collection Method	Description	Advantages	Disadvantages
Surveys	<ul style="list-style-type: none"> Web-based or paper-based instruments for data collection, utilised when gathering information from large groups where standardisation is important. Surveys could be designed to keep responses "open-ended", i.e. allow respondents to answer in a free flowing narrative form, or "closed-ended" where respondents are asked to select from a range of pre-determined answers. 	<ul style="list-style-type: none"> Provide opportunity to reach large, dispersed and/or geographically diverse populations, allowing the same information to be collected from various groups over time; Can be used to address many questions about a single topic; and Provide a highly reliable method of data collection. 	<ul style="list-style-type: none"> Could require generalising the questions to account for diversity of participants; Could be time consuming in terms of survey design, data collection and analysis; Could risk not gaining sufficient responsiveness from survey participants; and Could be subject to response bias (either in terms of how participants perceive questions or how they position their answers).
Systematic Social Observations	<ul style="list-style-type: none"> Structured observations around pre-determined categories and research questions, which allow for comparisons across times and locations. 	<ul style="list-style-type: none"> Could enable data collection that is independent of any individuals being directly involved in the policy implementation. 	<ul style="list-style-type: none"> Could be time and resource intensive.

Source: UK HM Treasury (2011). 'The Magneta Book: Guidance for Evaluation', (p.92-94)



Table 6.8: Example of a Process Evaluation for a Government of Dubai Policy

Policy Title	Financial Benefits Policy
Policy Description	<ul style="list-style-type: none"> Provision of integrated financial support for low-income Emirati households based on a set of socio-economic eligibility criteria to enhance their social welfare and achieve their financial sufficiency while ensuring they do not become dependent on this support.
Policy Process Evaluation Research Questions	<ul style="list-style-type: none"> How is the policy being delivered? Do the beneficiaries understand the policy properly? What are the beneficiaries' assessment of the policy? Is the eligibility income defined by the policy the right level, socially and economically? Is the policy being implemented "on the ground" in the way it had been planned? Is the policy consistently applied? Is there a strict compliance to the policy benefit conditions? Are there any challenges in the disbursement of benefits? What is the time spent on assessing eligibility and disbursing the benefits? How is the process linked to other social assistance services provided by the Community Development Authority? What are the policy implementation challenges faced by the Community Development Authority? What is the nature of interactions between the Community Development Authority staff and the beneficiaries during the policy roll-out? Did the policy meet budgetary expectations when rolled out, or were there unforeseen issues and hidden costs? Did the policy meet its targets in terms of inputs and outputs? How might the policy be refined or improved?
Policy Process Evaluation Data Collection Methods	<p>Evaluators may be asked to provide details on the: a) operation of the policy based on existing policy norms and guidelines, and b) operation of the policy based on direct observations in the field.</p> <p>Data collection methods include:</p> <ul style="list-style-type: none"> Existing policy documents and materials; In-depth interviews with beneficiaries; and Surveys and structured questionnaires.

07. Conducting Policy Impact Evaluations

a. What are Impact Evaluations?

Impact evaluations assess if the policy is producing its intended outcomes and impacts through providing the relevant quality outputs efficiently, effectively and sustainably.

Impact evaluations involve:

→ Determining whether the policy intended impacts and outcomes have been achieved;

→ Determining whether there were unintended policy impacts and outcomes;

→ Determining to what extent could the depicted impacts and outcomes be attributed to the policy; and

→ Determining if the policy should be scaled up and/or if the large scale policies should be continued.

Not all policies require impact evaluations as they are costly and timely and require attention to detail. Impact evaluations, as depicted in Table 6.9, are mostly appropriate when the policy intervention is:

→ Innovative, i.e. testing a new, promising approach;

→ Applicable, i.e. can be scaled up or applied to a different setting;

→ Strategically relevant, i.e. addressing a key strategic goal or gap;

→ Resource intensive, i.e. requiring substantial financial, and/or human, and/or infrastructure resources;

→ Untested, i.e. when very little information is known about the effectiveness and impact of the policy intervention;

→ Influential, i.e. if the results will inform key policy decisions.



Table 6.9: Feasibility of Conducting a Policy Impact Evaluation

	More Feasible if	Less Feasible if
Scale of Impact	<ul style="list-style-type: none"> • Direct potential relationship between policy impacts and outcomes and policy drivers and implementation • Large effect is expected • Effect is realised within a short period of time of policy implementation 	<ul style="list-style-type: none"> • Indirect or complex relationship between policy impacts and outcomes and policy drivers and implementation with many confounding factors • Small effect is expected • Effect builds up gradually over an extended period of time
Data Availability	<ul style="list-style-type: none"> • Data is available on individual subjects • Data is available at precise times and periods • Data to support evaluation is collected before and during the policy 	<ul style="list-style-type: none"> • Data is available on aggregated totals only • Uncertainty over timing of implementation • Data to support evaluation is not sought until the policy is already established
Potential Comparison Groups as Means of Estimating the Counterfactual	<ul style="list-style-type: none"> • Pilot is undertaken at the start including data collection in non-policy areas • Phased start across policy areas • Objective allocation, for example using a cut-off score or random allocation 	<ul style="list-style-type: none"> • No pilot is required • Simultaneous launch of policy nationwide • Subjective allocation, for example perfect allocation can hinder impact evaluation by leaving no comparison group

Source: UK HM Treasury (2011). 'The Magneta Book: Guidance for Evaluation', (p.101)

b. What Questions do Impact Evaluations Address?

Impact evaluations are typically conducted after process evaluations, and applied selectively to answer strategic policy questions to assess the outcomes and impacts of policy interventions. These include answering:

- What were the policy impacts (e.g. sustainable changes in society, the economy, and/or the state of the environment in addition to well-being impacts)? Did the policy produce its intended impacts or any unintended impacts? How big were the changes from the status quo? How much of the change was due to the policy as opposed to other factors? Are there better ways of achieving the policy impacts?
- What were the policy outcomes (e.g. changes in behaviour, knowledge, attitudes, relationships, activities or actions)? Did the policy produce the intended outcomes or any unintended outcomes? How big were the changes from the status quo? How much of the change is due to the policy as opposed to other factors? Are there better ways of achieving the policy outcomes?
- Has the policy achieved its intended results?
- Is the policy still aligned to government priorities?
- Should the current policy instruments be expanded, contracted or discontinued? Is there a case to establish more policy interventions?

To conduct post-implementation policy well-being impact assessments, please refer to Annex 4D for the Dubai customised Policy to People (P2P) Impact Assessment Tool.

c. What are the Data Collection Considerations when Designing Impact Evaluations?

According to the UK HM Treasury (2011). 'The Magneta Book: Guidance for Evaluation', (p.99), a robust impact evaluation requires:

- A means of estimating a reliable counterfactual; i.e. what would have occurred in the absence of the policy. This is often a challenge to impact evaluations, because often there are many factors, other than the policy itself which drive outcomes and impacts; and
- Adequate and reliable data with low levels of "noise".

The success of establishing a counterfactual is through obtaining "comparison or control groups". These are individuals, groups or geographical areas that were not exposed to the policy interventions. A comparison is then made between those who have been exposed to the policy and those who have not been.

Evidence about counterfactuals is generated through two main approaches: Randomised Controlled Trials (RCTs) and Quasi-Experimental Designs (QEDs), that are covered in more detail in the following section.

d. What are the Data Collection Methods for Impact Evaluations?

Impact evaluations typically include two main data collection methods:

- **Randomised Controlled Trials (RCTs):** RCTs involve the strongest methodology for evaluating the policy results because they measure changes in the desired impacts and outcomes for participants in a "treatment" or "intervention" group(s) and those in the "control" group. What makes RCTs different from other types of evaluations is the introduction of a randomly assigned control group that enables the comparison of policy interventions against no interventions. The UK Cabinet's Office, Behavioural Insights Team, identified eight key steps that are required to set up any RCT; these are depicted in Figure 6.4.

Figure 6.4: Steps for Conducting Randomised Controlled Trials (RCTs)



Source: Haynes L., Service O., Goldcare B., Torgerson D., (2012). 'Test, Learn, Adapt: Developing Public Policy with Randomised Controlled Trials', UK Cabinet Office, Behavioural Insights Team

Quasi-Experimental Designs (QEDs):

QEDs involve an alternative method of estimating the counterfactual by conducting measurements of a non-randomly selected comparison group (e.g. selected by need, location, social factors, etc.). Examples of options for obtaining comparison groups are shown in Table 6.10.

Table 6.10: Examples of Sources for Obtaining Comparison Groups under Quasi-Experimental Designs

Sources of a Comparison Group	Description
Phased Introduction	The policy is phased in "waves" rather than introduced simultaneously in all geographical areas.
Intermittent Application	The policy involves interventions that are very short-term in nature, then applying these in intermittent bursts where different areas receive them at different times.
Accidental Delays	The policy gets implemented more rapidly in certain areas, then a comparison group of "slow starters" may emerge.
Intensity Levels	If simultaneous introduction of the policy is unavoidable, then another strategy would be to evaluate based on differing modalities or intensities in different areas.
Administrative Rules	A comparison group may arise as a result of having to draw a line on who receives the policy intervention (e.g. a certain cut off age).
Targeting	Whenever a policy is intended only for a certain sub-population, those unaffected by it can form a potential comparison group.
Non-Volunteers	Where participation in a policy intervention is voluntary, those who do not participate can be a source of a potential comparison group.

Source: UK HM Treasury (2011). 'The Magneta Book: Guidance for Evaluation', (p.107)

Table 6.11: Example of an Impact Evaluation for a Government of Dubai Policy

Policy Title	The Rights of Persons with Disabilities Policy
Policy Description	Provide persons with disabilities with best practice interventions that will empower and strengthen them to make choices in an environment that is inclusive and ensures access to equal opportunities. Policy instruments include: inclusive health, education, employment, social protection and universal accessibility instruments.
Policy Impact Evaluation Research Questions	<ul style="list-style-type: none"> • Did the policy yield better preventive, early identification, early intervention and rehabilitation health services for persons with disabilities? • Did the policy yield better literacy and educational attainment levels for persons with disabilities in mainstream education systems (i.e. in early years, schools, vocational and tertiary education)? • Did the policy yield better self-employment, wage employment and entrepreneurship opportunities for persons with disabilities? • Did the policy yield better quality of life for persons with disabilities? • Did the policy yield enhanced access to public benefits such as housing, marriage support, and other services for persons with disabilities? • Did the policy produce any adverse effects on persons with disabilities?
Policy Impact Evaluation Data Collection Methods	<p>A Randomised Controlled Trial (RCT) could be used to assess the impact of the various interventions of: The Rights of Persons with Disabilities Policy.</p> <p>A random sample would be selected and assigned to a “control” or “non-intervention” group. The “control” group will give the counterfactual and baseline data against which different interventions as signed to various “treatment” or “intervention” groups are assessed. There may be five other “treatment” groups, including:</p> <ul style="list-style-type: none"> • Treatment group 1 of children with disabilities that receive developmental screening and early detection interventions; • Treatment group 2 of children with disabilities that receive inclusive education interventions; • Treatment group 3 of children with disabilities that receive inclusive employment interventions; • Treatment group 4 of children with disabilities that receive access to public benefits interventions; and • Treatment group 5 of children with disabilities that receive inclusive health, education, employment and public benefits interventions. <p>After assigning a sufficient sample to the control and the treatment group, there will be the need to determine how and when will policy impacts and outcomes be measured through trials. It is critical to ensure that the methodology for measuring impacts and outcomes for all the groups is exactly the same – both in terms of the process of measurement and the standards applied.</p> <p>Once the interventions have been introduced, there will be a need to measure the results of defined impacts and outcomes and synthesise lessons learned on which interventions had the highest impact, support future implementation and require any amendments.</p>

08. Conducting Policy Economic Evaluations

Economic evaluations aim at quantifying the policy impacts and outcomes and assessing if the policy costs have been outweighed by the benefits, consequently measuring the policy value-for-money.

Economic evaluations value inputs, outcomes and impacts through conducting cost-benefit analysis. Approaches to conducting cost-benefit analysis have been covered in detail in Chapter 4. “Identifying and Appraising Policy Options”.



09. Integrating the Monitoring and Evaluation Findings into the Policy Review

The values of monitoring and evaluation are only fully realised when the monitoring and evaluation analyses and findings are applied back to practice, in the context of policy implementation, and/or delivery, and/or future lessons learned.

Information emerging from monitoring and evaluation may be of relevance through:

—> **Integrating monitoring information in policy implementation**, by addressing any deviations from plans (deliverables and/or time and/or budget and/or quality), identifying and resolving risks and informing required decision makers' interventions. This also includes ensuring and enforcing responsibilities and accountabilities.

—> **Integrating process evaluation information** in how the policy instruments may be refined to help meet policy objectives, how could they be better delivered, and how to optimise the relationships between policy inputs, outputs, outcomes and impacts.

—> **Integrating impact evaluation information** in determining the policy interventions with the highest impacts and outcomes and reviewing those with unintended or sub-optimal results, in addition to determining if the policy should be scaled up or down.

—> **Integrating economic evaluation information** through encouraging the policy interventions with the highest value-for-money and identifying any potential efficiency improvements.

—> **Informing future design and implementation of future policies** at the Emirate of Dubai, the UAE and the international levels.



10. Phase Checklist and Deliverables

a. Phase Checklist

Comparing Monitoring and Evaluation

- What is monitoring?
- What are the typical monitoring questions along the Policy Theory of Change?
- What is evaluation?
- What are the typical evaluation questions along the Policy Theory of Change?
- What are the main differences between monitoring and evaluation along: objectives, focus, methodology, timing and conduct?

Key Guiding Principles for Monitoring and Evaluation (M&E)

- Do M&E approaches/systems have clear objectives, scope and comprehensiveness levels?
- Do M&E approaches/systems have clear roles, responsibilities and ownership?
- Are there the necessary enablers for setting up and institutionalising M&E approaches/systems?
- Are the appropriate M&E questions, information requirements, indicators and users of information identified?
- Are there clear M&E plans for information collection and analysis?
- Are there transparent and quality communication, feedback and stakeholder participation?
- Are M&E results integrated into the policy design and implementation?

Conducting Policy Monitoring

- What are the monitoring indicators?
- What are the monitoring tools, data collection methods and systems?
- How will monitoring information be gathered?
- How will monitoring information be analysed?
- How will monitoring analysis be reported?

The Policy Evaluation Stages

- Who is the evaluation audience and what are the evaluation objectives?
- What is the selected evaluation approach?
- What are the evaluation data requirements?
- What are the required evaluation resources and governance?
- How will evaluation be conducted?
- How will evaluation findings be disseminated?

Conducting Policy Process Evaluations

- What are process evaluations?
- What questions do process evaluations address?
- What are the data collection considerations when designing process evaluations?
- What are the data collection methods for process evaluations?

Conducting Policy Impact Evaluations

- What are impact evaluations?
- What questions do impact evaluations address?
- What are the data collection considerations when designing impact evaluations?
- What are the data collection methods for impact evaluations?

Conducting Policy Economic Evaluations

- What are economic evaluations?
- How is cost-benefit analysis conducted?

Integrating the Monitoring and Evaluation Findings into the Policy Review

- How are monitoring and evaluation findings integrated into the policy review process?

b. Phase Deliverables

- Policy Monitoring including scope, time, cost, human resources, quality and issues management and subsequent reporting
- Process Evaluations (to assess the policy design and delivery)
- Impact Evaluations (to assess the policy impacts and outcomes)
- Economic Evaluations (to assess the policy value-for-money)
- Policy Review



STAKEHOLDER ENGAGEMENT



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01. Introduction

a. Phase Overview and Objectives

This phase considers the need to build and maintain strong relationships with stakeholders and engage them throughout the policy cycle. This requires:

- Identifying and engaging the relevant mix of stakeholders who are affected, are able to influence, and/or support the policy;
- Providing effective conditions, mechanisms and tools to optimise stakeholder engagement;
- Fostering a continuous collaborative environment to keep the relevant stakeholders informed, consulted, empowered and/or adapted to the policy.

The key objectives of stakeholder engagement are to:

- Secure buy-in from the relevant stakeholders along the policy cycle phases as needed;
- Raise awareness on the policy area and its issues and understand the government's stance in addressing them;
- Identify and address information gaps;
- Provide access to factual data and information;
- Understand key challenges and requirements;
- Ensure policy instruments are aligned to stakeholder needs and requirements;
- Share emerging findings and test ideas;

- Provide opportunities to enhance the policy design and implementation;
- Evaluate the policy results;
- Assess the policy risks and define potential mitigation strategies;
- Promote transparency and accountability;
- Provide early identification of synergies between government and stakeholder work.

Stakeholder engagement includes the following steps which are covered in this chapter:

- Stakeholder engagement preparation;
- Stakeholder engagement planning; and
- Stakeholder engagement implementation.

b. Phase Duration

The amount of time allotted for stakeholder engagement depends on the complexity of the policy, the diversity and capacity of the stakeholders and the engagement methods selected. The timing and length of engagement should be decided on a case-by-case basis, depending on the policy.

c. Phase Tools and Templates

The following tools and templates will be used in the "Stakeholder Engagement" phase:

- Communication Plan Template (Annex 5C)
- Stakeholder Engagement Plan Template (Annex 7A)

02. Stakeholder Engagement Guiding Principles

Stakeholder engagement should be based upon the following set of guiding principles:¹¹

- **Inclusiveness and Representation:** Consult with diverse stakeholders to engage them on key decisions that may affect them. Ensure inclusion of groups that are often marginalised (e.g. persons with disabilities, women, youth, etc.).
- **Clear and Transparent Communication:** Establish clear and transparent information and feedback processes so that stakeholders are provided with pertinent information about the policy in all required accessible formats.

- **Integrity, Respect and Mutual Learning:** Create an environment with genuine, honest and responsive processes. Establish relationships based on cooperatively sharing and learning from others' expertise and information and where contributions are valued and respected.
- **Openness and Flexibility:** Embed openness in the decision making processes to appropriately understand and incorporate input from the various stakeholders.
- **Accountability and Follow-Up:** Work towards clear objectives and approaches timely and clearly and share the relevant information.



¹¹Adopted primarily from: Western and Pacific Child Welfare Implementation Center (2013). 'Stakeholder Engagement: Tools for Action', (p.13)

03. Preparing for Stakeholder Engagement

a. Defining Stakeholder Objectives

Stakeholder engagement should start by identifying the engagement purposes, expected outcomes and scope. This would be facilitated by asking the following questions:

- What are the questions that the government is seeking to address?
- Why is stakeholder engagement crucial to address these questions?

→ What are the required results and criteria for success of the stakeholder engagement process?

→ How will stakeholder input benefit the policy?

Stakeholder engagement objectives depend on the policy cycle phase. Examples of input sought during the different phases are illustrated in Table 7.1.

Table 7.1: Examples of Stakeholder Engagement Input for the Different Policy Cycle Phases

Policy Cycle Phases	Stakeholder Engagement Input
Policy Justification and Framework Set-Up	<ul style="list-style-type: none"> • Seek input from government stakeholders for scoping the policy project and identifying the issues and sub-issues. • Engage government entities' members to be on the Steering Group or the Project Team.
Developing and Analysing the Policy Evidence Base	<ul style="list-style-type: none"> • Seek input on the policy baseline (including PESTLE and SWOT Analyses). • Seek input and agreement on the interim Policy Analytical Report .
Establishing the Policy Theory of Change	<ul style="list-style-type: none"> • Seek input and agreement on the policy intended objectives, impacts, outcomes, outputs and inputs and their respective indicators and targets.
Identifying and Appraising Policy Options	<ul style="list-style-type: none"> • Ideate on the potential policy options. • Seek input on the suitability and challenges of various options. • Seek technical input to conduct the options' cost-benefit and risk analyses.
Designing the Policy Solution and Planning Implementation	<ul style="list-style-type: none"> • Seek technical/practical input to ensure all policy design, implementation steps, risks and change management are taken into consideration.
Policy Monitoring, Evaluation and Review	<ul style="list-style-type: none"> • Seek input to assess if the policy has achieved its intended results (i.e. impacts, outcomes and outputs) and define lessons learned. • Engage stakeholders in Randomised Controlled Trials (RCTs) or other experiments, as applicable.

b. Identifying Key Stakeholders

Stakeholder engagement should involve a mix of stakeholders, including:

→ **Decision makers** who have the direct influence and power over key required decisions throughout the policy cycle phases;

→ **Resource providers** who can provide the requisite resources and assistance;

→ **Influencers** who can use their power and outreach to support the engagement process (e.g. interest groups);

→ **Impacted communities**, customers, citizens, vulnerable groups, beneficiaries, businesses and/or industries that are mostly affected by the policy; and

→ **Technical experts** who have the relevant knowledge, background and experience (e.g. research/academic institutions, international organisations, etc.).

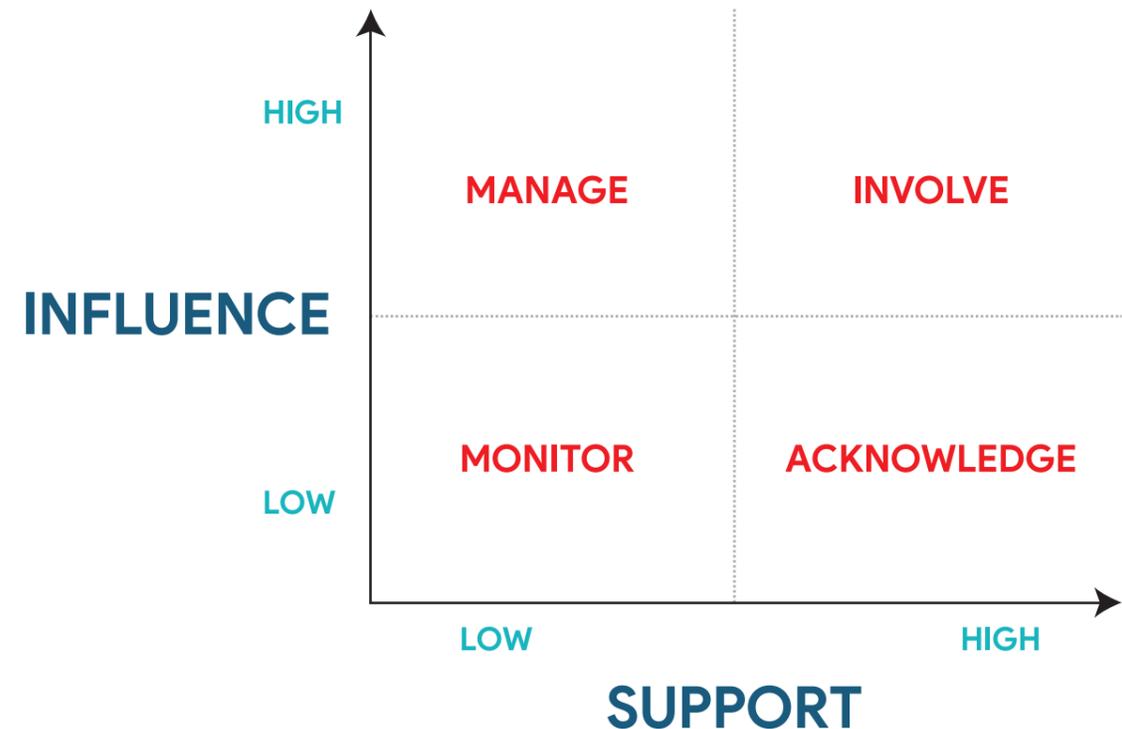
Stakeholders should be grouped according to:

→ The extent of policy impact/influence on the stakeholder group; and

→ The stakeholders' level of interest and support for change.

The location of stakeholders on Figure 7.1 should determine how much time and effort should be spent engaging with them. Resources should be directed to those who are most influential and least supportive.

Figure 7.1: Stakeholder Analysis Map



Even if no formal engagement is to take place (perhaps because the policy area is highly sensitive), policy makers should seek ways to test ideas with experts and stakeholders. Trusted individuals from outside the government with relevant expertise and insight might be asked, on a confidential basis, to comment on analyses and findings or to brainstorm ideas. It is highly risky to recommend significant or radical changes if ideas have not been tested with people outside the Project Team.

04. Planning for Stakeholder Engagement

a. Developing the Communication Plan

Developing a communication plan will support in identifying the information types, sources and channels required from each stakeholder group. As such, the communication plan should include the communication:

- Timeline;
- Objectives;
- Audience;
- Messages;
- Tools/Channels;
- Risks;
- Resources; and
- Monitoring and Review.

The communication plan questions and template have been covered in Chapter 5. Please refer to Table 5.3 for the Communication Plan Components.

Please refer to Annex 5C for a Communication Plan Template.

b. Defining the Timing of Stakeholder Engagement

Stakeholder engagement should commence during the Policy Justification and Framework Set-Up phase and continue throughout the policy cycle phases. Planning and preparing for stakeholder engagement might take time, especially where the policy is complex or new, the government entity has a range of stakeholders to engage and the stakeholder techniques need time to prepare and launch.

c. Identifying the Levels of Stakeholder Engagement

Stakeholder engagement encompasses various levels of potential involvement, ranging from simply informing stakeholders to delegating decisions to them. Determining the level(s) of stakeholder engagement will also inform the stakeholder engagement techniques.

The Western and Pacific Child Welfare Implementation Center (2013). 'Stakeholder Engagement: Tools for Action', (p.11), identifies the spectrum of stakeholder involvement, as four levels of participation, as depicted in Table 7.2:

- **Inform:** Provide stakeholders with balanced and objective information to assist them in understanding the policy area, issues and sub-issues, options, solution and implementation;
- **Consult:** Obtain stakeholders' feedback on the policy analysis, options and solution;
- **Involve:** Work directly with stakeholders throughout the policy process to ensure that their concerns and aspirations are consistently understood and considered; and
- **Collaborate/Empower:** Partner with stakeholders in the policy decision making process including the development of policy options and the identification of the preferred solution.

Table 7.2: Levels of Stakeholder Engagement

	Inform	Consult	Involve	Collaborate/ Empower
Commitment to Stakeholder Engagement	Provide balanced, objective, accurate and consistent information to assist stakeholders to understand the policy area, issues, options and solution(s).	Obtain feedback from stakeholders on the policy objectives, problem, issues analysis, options, and solution(s).	Work directly with stakeholders throughout the policy cycle to ensure that their concerns and needs are consistently understood and considered.	Partner with stakeholders on decision making regarding the policy development and shared implementation.

Source: Western and Pacific Child Welfare Implementation Center (2013). 'Stakeholder Engagement: Tools for Action', (p.11)

d. Selecting Stakeholder Engagement Techniques

Having defined the stakeholders to be engaged and their level of participation, the next step would be to choose the stakeholder engagement techniques that will be used to build relationships with stakeholders, consult and gather and disseminate information. These techniques are summarised in Table 7.3.



Table 7.3: Stakeholder Engagement Techniques According to Levels of Participation

Levels of Participation	Engagement Techniques	Description
Inform	Advertising/ Media Stories/ Newspaper Inserts	Specific information in particular formats and languages for distribution through print, radio, television and online media.
	Online Information	Information provided via websites and other social media platforms.
	Briefings	Key information provided to decision makers, government entities and key stakeholders at regular intervals to stay informed about the policy progress.
	Education and Awareness Programs	Specific set of, often factual information, to target a range of stakeholders and potentially support a variety of community engagement techniques.
	Fact Sheets/ Newsletters	Brief, paper-based or online documents which summarise certain policy “facts”.
	Displays	Visual materials relating to the policy to inform and stimulate stakeholders.
	News Conference	Announcements made by government official(s) which involve directly speaking to the public via the media.
Community Meetings/Events/ Fairs	Information provided through organised meetings that have specified time, dates, venues, agendas and invitation lists.	
Consult	Discussion Groups/ Workshops	Open-ended dialogue and structured activities intended to draw out a range of stakeholders views and opinions.
	One-to-One Interviews	Fact-to-face meetings or telephone conversations that provide the best means to obtain qualitative information from individuals.
	Open Days	Office access provided temporarily to stakeholders to provide a forum for people to raise concerns and issues or propose solutions.
	Opinion Polls	Research methods used to extrapolate results and determine what people think about an issue via a small number of closed questions.
	Surveys	Research methods used to gauge views, experiences and behaviours.

Levels of Participation	Engagement Techniques	Description
Consult	Road Shows	Travelling presentations and/or displays to seek feedback about, or input to the policy.
	Web-Based Consultation	Interactive websites, internet surveys, email feedback, internet-based forums and online chat events that enable stakeholders to contribute their views.
Involve	Action Research	A set of research methods that enable stakeholders to explore policy issues and identify and test solutions in a collaborative and participative way.
	Advisory Committees	Representatives from particular backgrounds, industries, communities, or interest groups who are appointed to provide technical or specific information on policy related issues.
	Citizens' Juries	Randomly recruited and representative panel of around 12-20 citizens who meet for 3-5 days to carefully examine a policy related issue; this involves high-levels of facilitation, coordination, negotiation and conflict resolutions skills.
	Community Reference Groups	Invited representatives from a particular community who have interest in a certain policy area; reference group members attend regular meetings and represent their community's views and provide input into the policy development.
	Focus Groups	Involvement of 6-10 people who have knowledge or expertise in a policy related issue and guiding them through a moderator to a set of open-ended questions.
	Collaborate/ Empower	Future Research Conference
	Stakeholder Visioning	An explorative method where stakeholders are asked to innovatively visualise what the future could look like and inform follow-up plans.
	Design Workshops	Structured workshops that put stakeholders at the heart of policy problem solving to help shape policy decisions in addition to developing, experimenting, and evaluating policy options. They typically utilise design thinking approaches including: empathising, defining, ideating, prototyping and testing.
	Participatory Editing	Involvement of stakeholders to co-write reports and documents and endorse the final document.

Source: State of Victoria, Department of Education and Early Childhood Development (2011). 'Stakeholder Engagement Framework', (p.26-27)

e. Identifying and Managing Stakeholder Engagement Risks

Once the stakeholders' levels and techniques have been determined, the next step would be to identify the potential stakeholder engagement risks, for example:

- > Limited availability and/or capacity of participants;
- > Limited participation due to the sensitivity of the policy area;
- > Inadequate stakeholder engagement techniques;
- > Unrealistic expectations;
- > Power struggles/imbances among participants; and/or
- > Inability to obtain agreement/consensus.

f. Developing the Stakeholder Engagement Plan

Once all the above components have been identified, the next step would be to develop the stakeholder engagement plan to include:

- > Stakeholder engagement objectives;
- > A list of key stakeholders to be engaged;
- > Communication plan;
- > Timing of stakeholder engagement;
- > Levels of stakeholder engagement;
- > Techniques of stakeholder engagement; and
- > Risks and issues management.

Please refer to Annex 7B for a Stakeholder Engagement Plan Template.

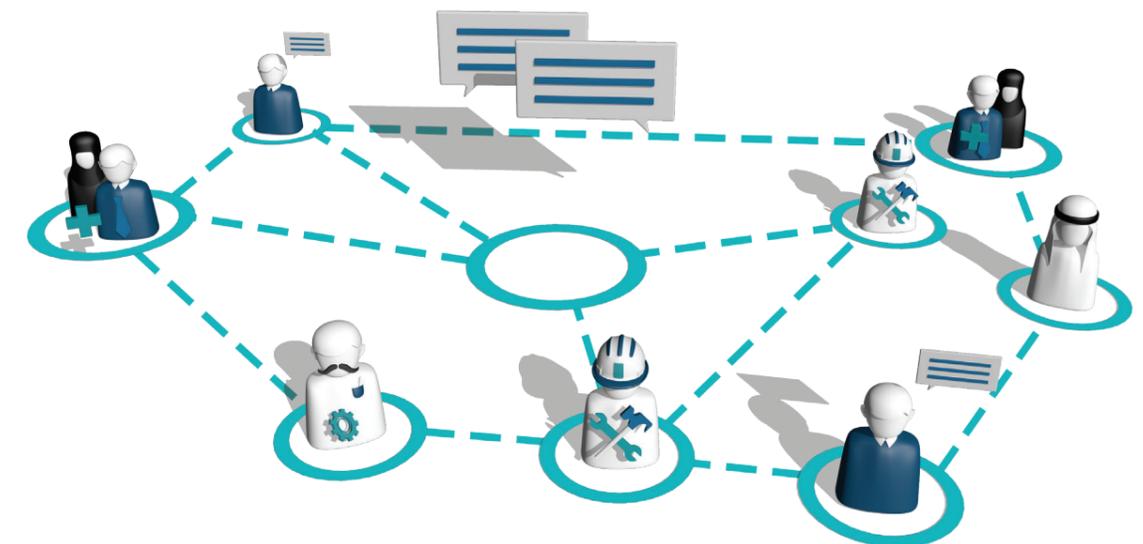


5. Implementing Stakeholder Engagement

Following the stakeholder engagement preparation and planning, the next step would be implementation. This would include:

- > **Activation:** Gauge people's interest in the policy through encouraging open exchange, listening and engaging;
- > **Education:** Ensure people are working from a shared or similar knowledge;
- > **Synthesis:** Pull together information gathered through stakeholder engagement in order to answer particular questions and propose recommended actions;

- > **Reflection:** Enable stakeholders to provide feedback regarding results findings and decisions;
- > **Decision Making:** Identify the favoured preferences, priorities and actions steps;
- > **Feedback Provision:** Provide feedback to stakeholders on the key decisions and next steps; and
- > **Evaluation and Lessons Learnt:** Evaluate the success of stakeholder engagement based on objectives and indicators set at the inception of the engagement process.



06. Phase Checklist and Deliverables

a. Phase Checklist

Stakeholder Engagement Guiding Principles

- Does stakeholder engagement follow the following guiding principles: Inclusiveness and representation? Clear and transparent communication? Integrity? Mutual learning and respect? Openness and flexibility?

Defining Stakeholder Objectives

- What is the problem/issue to be solved?
- Why is stakeholder engagement requested and vital?
- What are the desired results for stakeholder engagement success?

Identifying Key Stakeholders

- Who is capable of delivering and supporting the policy?
- Who can influence the policy?
- Who is affected by the policy?
- Who is interested in the policy?
- Who are the stakeholder groups that are most influential and least supportive?

Developing the Communication Plan

- What are the communication objectives?
- What are the communication messages?
- What are the communication techniques/channels?
- What is the communication timing?
- Who is the communication owner?
- What are information disclosure constraints?

Defining the Timing of Stakeholder Engagement

- What is the allocated timing and schedule for stakeholder engagement?

Identifying the Levels of Stakeholder Engagement

- Which stakeholders will be informed and when?
- Which stakeholders will be consulted and when?

- Which stakeholders will be involved and when?

- Which stakeholders will be collaborated with and when?

Selecting Stakeholder Engagement Techniques

- What stakeholder engagement techniques will be used to inform stakeholders?

- What stakeholder engagement techniques will be used to consult with stakeholders?

- What stakeholder engagement techniques will be used to involve stakeholders?

- What stakeholder engagement techniques will be used to collaborate with stakeholders?

Identifying and Managing Risks

- What are the stakeholder engagement risks?

Developing the Stakeholder Engagement Plan

- Has an appropriate stakeholder engagement plan been developed to include stakeholder engagement objectives? Stakeholder list? Communication plan? Timing of stakeholder engagement? Levels of stakeholder engagement? Stakeholder engagement techniques? Risks and issues management?

Implementing Stakeholder Engagement

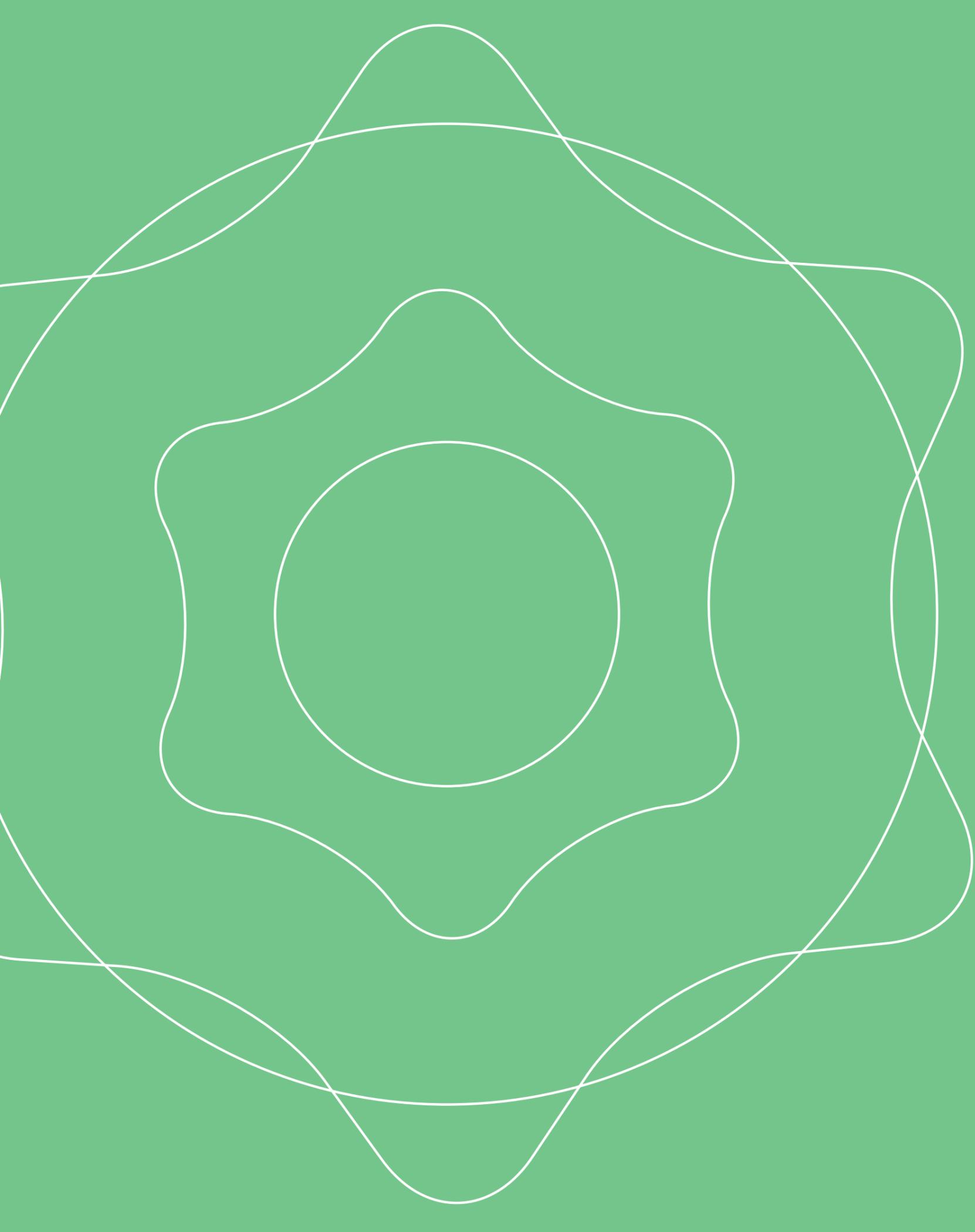
- How will stakeholder engagement be implemented with regards to activation? Education? Synthesis? Reflection? Decision making? Feedback provision? Evaluation?

b. Phase Deliverables

Stakeholder Engagement

Plan including:

- Stakeholder engagement objectives
- Key stakeholders
- Communication plan
- Timing of stakeholder engagement
- Levels of stakeholder engagement
- Stakeholder engagement techniques
- Risks and issues management



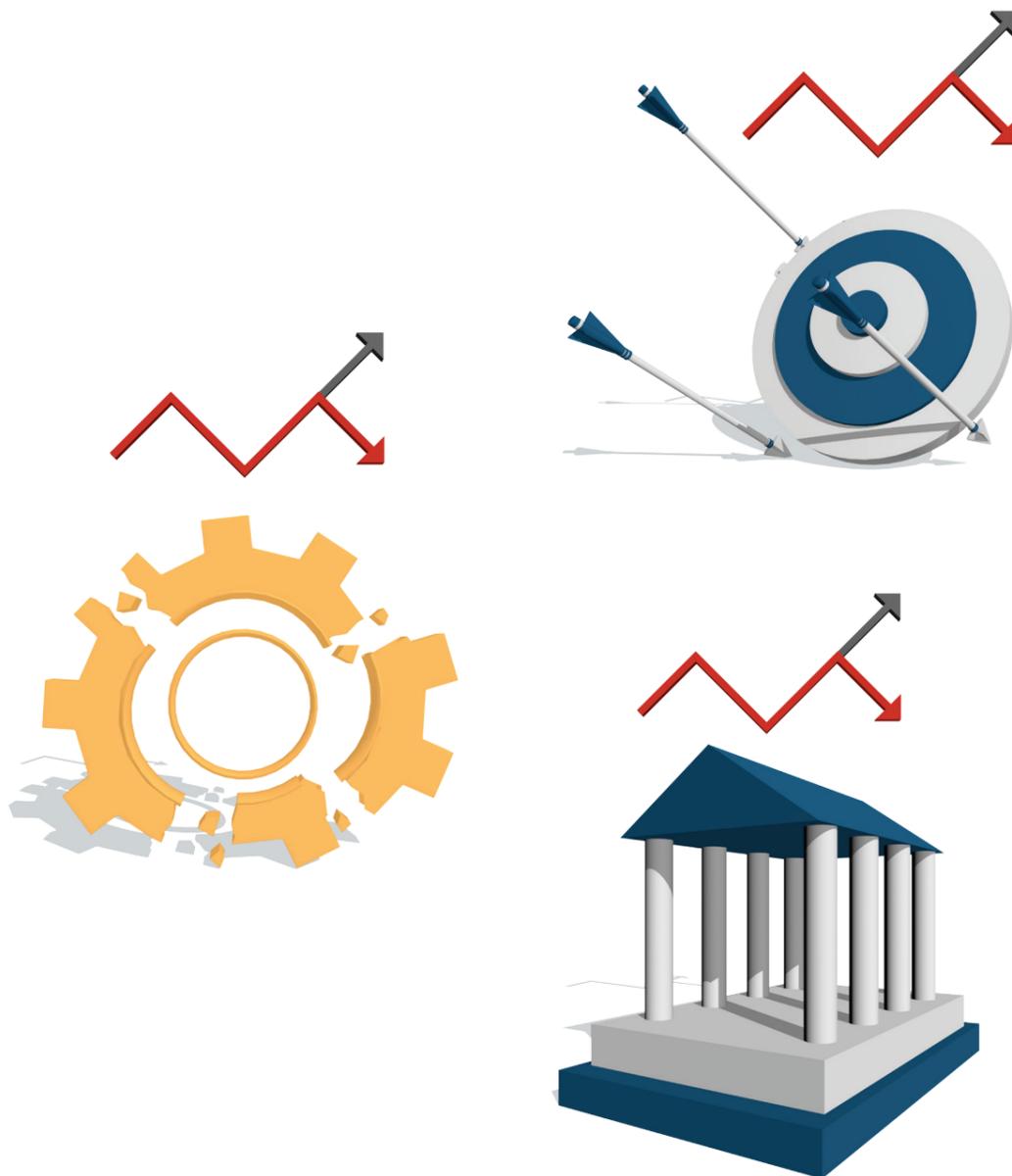
**CONCLUSION:
WHY DO
POLICIES FAIL?**

01. Introduction and Objectives

Despite efforts to advance the policy process and put in place the right frameworks and tools for the various policy cycle phases, governments seem to suffer periodic policy failures. Designing policies requires a certain degree of qualitative assessment of the policy issues, sub-issues, policy theory of change, the policy solution and implementation. Designing policies also requires appropriate forecasting of interconnected factors (e.g. economic, social, environmental, etc.) that will shape their implementation.

Understanding policy failures is crucial to undertake corrective measures and minimise the huge economic, social, environmental, reputation and time costs that are typically associated with these failures.

This chapter aims to understand the nature and causes of policy failures and how they can be mitigated.



02. Defining Policy Failures and Potential Root Causes

There are often different perceptions about policy performance; i.e. what might be viewed as success to some may be viewed as failure to others as the policy may impact various groups differently. Policies also often have multiple objectives and it might be difficult to weigh up failures in some against successes in others. It could be also the case where information is not sufficiently available or that a policy may record some failures in the short-term but yield successes in the long-term.

This section aims to define the nature of policy failures; policies are rarely either a total success or a total failure as policies may be successful in one dimension, e.g. process, implementation, or political and less successful or unsuccessful in other dimensions.

Marsh and McConnell's framework describes these dimensions as follows¹².

a. Policy Process Failure

The process dimension of the policy refers to the initial policy formulation stages, including the policy justification and set-up, issues and sub-issues formulation, option(s) selection and stakeholder engagement.

Process failure could include failure to:

- Accurately address and assess the policy area, issues, sub-issues and root causes;
- Preserve the desired policy results;
- Design the adequate policy instruments; and
- Garner support from key stakeholders.

The root causes of policy process failures could be:

- **Information Failure:** Limited or absence of reliable data which hinders policy makers to assess the policy area, its issues and sub-issues and devise the adequate instruments, implementation plans and evaluation mechanisms accordingly. This could be because this information has not been collected, especially when it relates to people's behaviours and preferences, or incorrectly analysed and/or forecasted.

- **Unclear or Overambitious Policy Intended Results:** The Policy Theory of Change devised with over-ambitious intended impacts, outcomes and outputs that ultimately fall short of being delivered and achieved.

- **Poor Design of Policy Instruments:** Inadequate, inefficient or ineffective design of instruments (for example, in terms of instruments design, eligibility and selection criteria, operational and access procedures, etc.).

- **Unforeseen Events:** Disruptive changes and lack of instruments that are oriented and adaptive towards continuous change.

- **Centralised Decision Making:** Limited or controlled stakeholder engagement leading to a disconnect between the policy theory and practice.

b. Policy Implementation Failure

The implementation dimension of the policy refers to the extent to which the policy achieves its intended results.

Implementation failure could include failure to:

- Implement policy options effectively as planned;
- Benefit the intended target group(s);
- Achieve the policy intended results (i.e. impacts, outcomes and outputs);
- Ensure efficient utilisation of resources; and
- Provide benefits that outweigh the costs.

The root causes of policy implementation failure could be:

- **Insufficient Resource Allocation:** Limited allocation of the required time, financial, human, technical and infrastructure resources, systems and/or structures leading to improper policy implementation.

¹² Marsh D., McConnell A. (2010). 'Towards a Framework for Establishing Policy Success'

—> **Ineffective Institutional Structures:** Lack of clear roles and responsibilities, limited coordination, cooperation and/or accountability among government entities and potential corruption.

—> **Lack of Sufficient Experimentation and Piloting:** Absence of sufficient testing, experimentation and piloting of the proposed policy instruments before they are nationally rolled-out.

c. Policy Political Failure

The political dimension of the policy refers to the extent to which the policy assists the government's reputation and enables the government to progress with its overall vision and strategic objectives.

Political failures could include failure to:

- > Enhance the government's reputation;
- > Control the government's agenda; and
- > Sustain the government's direction.

The root causes of policy political failures could be:

- > **Limited Political Commitment:** Governments not providing the required political and/or leadership support needed for implementing and sustaining the policy.
- > **Policy Myopia:** Government intervention through short-term solutions and "quick fixes" rather than long-term considerations (for example, government subsidies in particular industries to provide short-term relief without addressing structural economic problems).

Table ii.i: Examples of Policy Failures

Policy Title	High-Level Overview of Policy Instrument(s)	Reasons for Policy Failure
USA's Teacher Pay for Performance	Providing financial rewards to classroom teachers who significantly elevate students' academic achievement.	<p>Policy mainly failed because of:</p> <ul style="list-style-type: none"> • Insignificant financial incentives awarded to successful teachers; • Lack of agreed-upon and objective measures of teacher performance; • Teachers' focus on students' assessments rather than on their overall education and learning; and • Lack of rigorous evaluation to assess and possibly recalibrate the policy components to bring them to scale more effectively.
USA's Affordable Care ("Obamacare")	Providing affordable quality health insurance through access to new benefits, rights and protections, and attempting to curb growth in healthcare spending.	<p>Policy mainly failed because:</p> <ul style="list-style-type: none"> • It did not effectively address increasing health care costs; • The penalties for going uncovered were too low when compared against the increasing premium costs; • Insurance is based on risk pools so that the lucky subsidise the non-lucky; • It allowed people to sign in after they got sick; and • It failed to achieve support from stakeholders and most states refused to accept it.
Australia's Climate Policy: Repeal of the Carbon Tax	Repealing the Carbon Tax which had been enacted for two years and replacing it with an Emission Reduction Fund, paid by taxpayers.	<p>Policy mainly failed because:</p> <ul style="list-style-type: none"> • It was short-sighted and quickly implemented which led to regular organisations responding informally, with very few investments in emissions reductions being made; • Its amendment was unconstitutional because the Senate cannot introduce revenue rising measures; and • It underestimated the financial impacts on the government, estimated at USD 7 billion over four years.

03. Reducing the Risks of Policy Failure

Policy makers need to design and implement adaptive policies that perform in highly complex, dynamic and uncertain settings, thereby enabling them to address and reduce the risks of their failure.

Adaptive policies are defined by two types of capacities: i) the capacity of the policy to adapt to anticipated conditions, and ii) the capacity of the policy to adapt to unanticipated conditions.

The capacity to adapt to anticipated and unanticipated conditions require¹³:

- > **Capacity building** of those who are responsible for the policy design and implementation to self-organise and self-address the policy challenges.
- > **Good governance** that is responsive, transparent, consensus-oriented, effective and efficient, participatory and accountable.
- > **Variation in the proposed policy instruments** or policy implementation mechanisms to foster complementarity, tackle diversity of responses and increase the likelihood of achieving intended results.
- > **Integrated and forward-looking analysis including scenario planning** through identifying factors and dynamics of change that affect policy performance and studying scenarios for how these factors are likely to evolve in the future then developing resilience and contingency plans accordingly.

—> **Multi-stakeholder deliberation** through a collective and collaborative public effort to examine the policy area from different points of view prior to decision making.

—> **Automatic and timely policy adjustments** to determine the required natures of adjustments to maintain performance or terminate the policy when it is recording significant process and/or implementation and/or political failures. Adjustments may be categorised as either corrective actions (to adjust the policy) or defensive actions (to preserve the policy's benefits).

—> **Effective monitoring and early warning systems** to identify when deviations from plans are significant enough to affect performance.

—> **Formal policy review and continuous learning** through the use of well-designed pilots throughout the policy cycle to test assumptions related to performance and help address emerging issues.

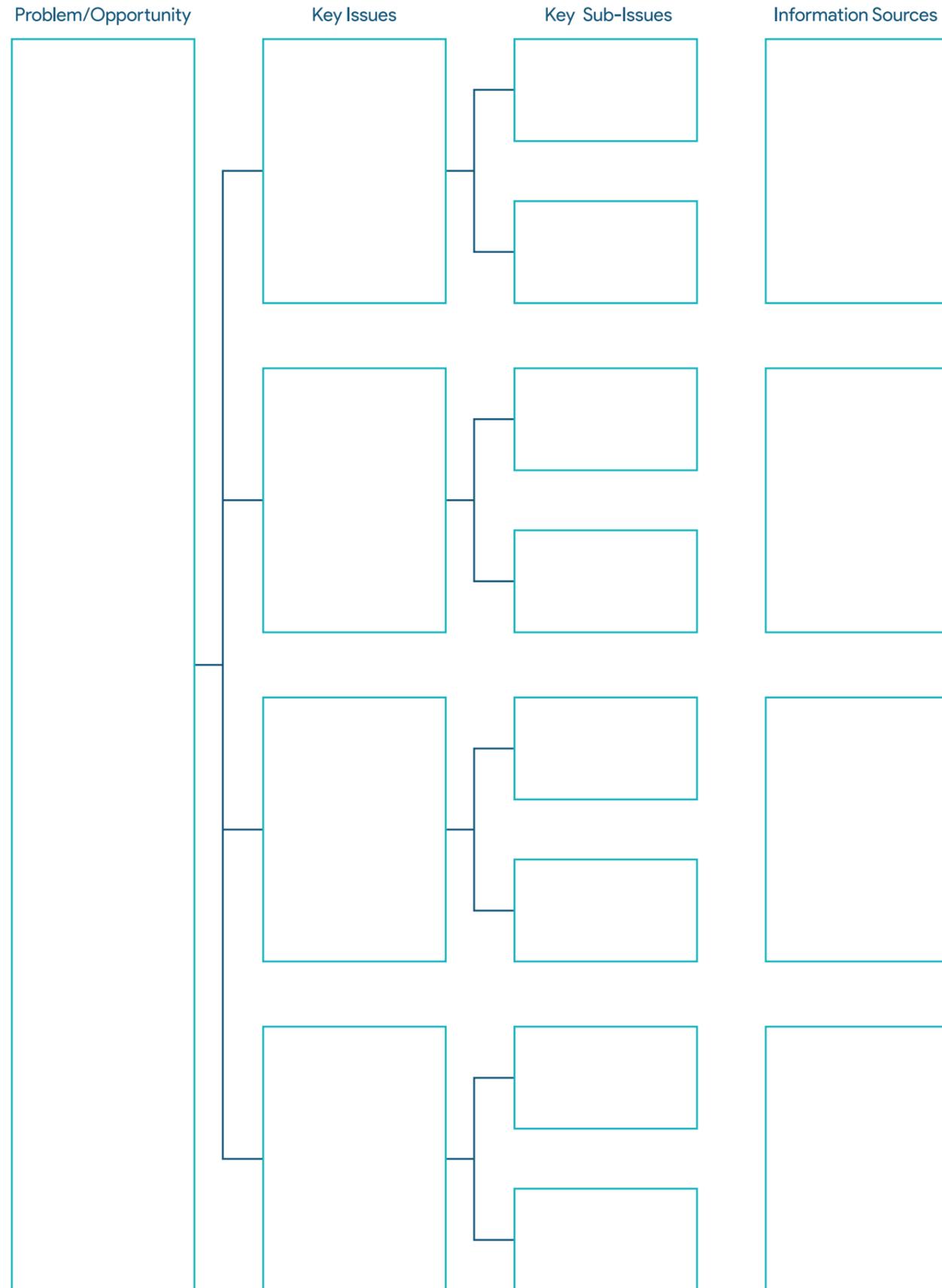
¹³ Adopted primarily from Swanson D., Bhadwal S., (2009). 'Creating Adaptive Policies: A Guide for Policy Making', International Development Research Centre



ANNEXES

Templates provided in this section are intended to take policy makers through the overall policy cycle. While it is encouraged that the policy makers go through all templates through their policy development, as this will ensure higher quality of submitted policies, we have classified the templates into: mandatory to submit and optional to submit to facilitate the process.

Annex 1A: Issues Tree Diagram Template | Optional



Annex 1B: Policy Justification Brief Template - (Part 1) | Mandatory

Date		Policy Title	
Problem Definition and Rationale for Government Intervention			
<ul style="list-style-type: none"> • What is the policy problem? • What are the key issues and sub-issues that need to be addressed? • Is there a case for government intervention (i.e. what happens if the government does not intervene)? 			
Policy Objectives			
<ul style="list-style-type: none"> • What are the policy project objectives? 			
Policy Context		Policy Scope	
<ul style="list-style-type: none"> • Is it a new policy, or does it build on previous experience? Will it utilise existing platforms? 		<ul style="list-style-type: none"> • What are (at a high-level) the main preliminary policy instruments/interventions to be considered? 	
Project Sponsor		Project Manager	
Steering Group		Project Team	

Annex 1B: Policy Justification Brief Template - (Part 2)

Project Key Milestones, Timelines and High-Level Budget				
Phase	Planned Start Date	Planned End Date	Key Phase Deliverables	High-Level Budget Estimates (AED)
Policy Justification and Framework Set-Up				
Developing and Analysing the Policy Evidence Base				
Establishing the Policy Theory of Change				
Identifying and Appraising Policy Options				
Designing the Policy Solution and Planning Implementation				
Policy Monitoring, Evaluation and Review				
Stakeholder Engagement				

High-Level Information Requirements	Project Risks	Key Stakeholders
		Consultation Mechanisms

Project Risks and Mitigation Plan	
Key Risks	Mitigation Plan

Annex 2A: PESTLE Analysis Template | Optional

Dimension	Description	Implication	Importance
Political			
Economic			
Socio-Cultural			
Technological			
Legal			
Environmental			

INTERNAL	STRENGTHS	IMPLICATIONS
	1. 2. 3. 4. 5. 6. 7. 8.	1. 2. 3. 4. 5. 6. 7. 8.
	WEAKNESSES	IMPLICATIONS
	1. 2. 3. 4. 5. 6. 7. 8.	1. 2. 3. 4. 5. 6. 7. 8.

EXTERNAL	OPPORTUNITIES	IMPLICATIONS
	1. 2. 3. 4. 5. 6. 7. 8.	1. 2. 3. 4. 5. 6. 7. 8.
	THREATS	IMPLICATIONS
	1. 2. 3. 4. 5. 6. 7. 8.	1. 2. 3. 4. 5. 6. 7. 8.

							Benchmark City/Entity
							Reasons for Benchmarking
							Lessons Learned on Policy Instruments Used
							Lessons Learned on Policy Implementation Approaches
							Lessons Learned on Utilised Enablers (e.g. Technology, HR, Governance)
							Lessons Learned on Monitoring and Evaluation Approaches
							Lessons Learned on Policy Results

Annex 2D: Forecasting and Scenario Development Techniques

To understand the policy problem or opportunity, it is crucial to look to future expected results as well as looking at historical data. Forecasting and scenario development can both help explore how the current problem or opportunity might develop.

a. Forecasting

Forecasting identifies and tracks past trends and extrapolates them into the future. Typically, it is used to project over time (time-series forecasting), and to make predictions about differences among people, firms or other objects (cross-sectional forecasting). In addition to quantitative (statistical methods), it also includes the use of more qualitative (judgemental) methods.

Quantitative Analysis is the most common forecasting method. It relies on the statistical analysis of historical data and thus it is relatively objective. Quantitative techniques include extrapolation (such as moving averages, linear projections against time or exponential smoothing) and econometric methods (typically using regression techniques to estimate the effects of causal variables). This type of analysis is commonly used to forecast demographic and economic changes where extrapolating over time is believed to have some validity.

—> **Simple Moving Averages:** A forecasting method that is mostly used when the time series is stationary in both the mean and the variance. It is conducted by taking a certain number of past periods and adding them together, then dividing by the number of periods. The following formula is used in finding the moving average of order n , $MA(n)$ for a period $t+1$, $MA_{t+1} = [Dt + Dt-1 + \dots + Dt-n+1] / n$ where n is the number of observations used in the calculation. The forecast for the time period $(t+1)$ is the forecast for all future time periods. However, this forecast is revised when new data becomes available.

—> **Weighted Moving Averages:** A forecasting method that is widely used where repeated forecasts are required. As an example, a Weighted Moving Average is: $Weighted\ MA(3) = w_1 \times Dt + w_2 \times Dt-1 + w_3 \times Dt-2$ where the weights are any positive numbers such that: $w_1 + w_2 + w_3 = 1$.

—> **Linear Projections:** A forecasting method used to estimate values in future periods. By taking historical data, an actual growth rate can be determined. This rate is then applied to the last known year and projected forward. The validity of the growth rate found in historical data depends largely on the number of reference points and the period over which they are found. The more reference points and the longer the period, the better. Linear projections will only serve as a predictor of future values if future trend determinants are the same as historical determinants. Therefore, factors such as technological

innovation, changes in behaviour and radical economic shifts can all mean that historical determinants are not an accurate predictor of future trends.

It is often difficult to find sufficient data to allow detailed quantitative analysis. Techniques to address this include estimation, mirroring and triangulation:

—> **Estimation:** Estimation is typically useful in the absence of certain data. The most common forms of estimation are to ask an expert or a group of experts to use their experience to formulate an opinion or to develop a case study. The most important thing is to ensure that the assumptions are clearly noted, so that the model users are able to adjust the assumptions if more accurate data becomes available.

—> **Mirroring:** This method can be used when a corresponding event may be identified. For example, a particular prescription drug may be always purchased in conjunction with another drug. It may be possible to ascertain the sales of the second drug by adding up quantities from annual reports, and then 'mirroring' that number to find an estimation of the number of sales of the first drug.

—> **Triangulation:** When developing a model, data is often incomplete or approximate. In other instances, there may be several sources of data that conflict. One way for developing a base to work from is to triangulate the available information to develop a defensible average. Sources of comparable data may be obtained through various methods such as extrapolation, expert estimation, case studies, literature reviews, etc. Once the information from all sources has been standardised (that is using the same base, units, denomination, etc.), an average is taken. Usually it is a straight average, though sometimes some weights may be applied to some of the information sources to reflect a higher quality data source.

Qualitative Analysis is more subjective and is concerned mainly with social, institutional, commercial and political themes (i.e. things which may not be linearly related to the past). For example, qualitative analyses deal with issues such as:

—> What is the future of women's organisations?

—> What is the future of NGOs?

—> What is the future of the entertainment business?

One of the most common forms of qualitative trend analysis is the identification of 'megatrends' – driving forces which can change society in all spheres e.g. politics, economics, technology, values and social relations. Other tools include scenario development.

b. Scenario Development

Quantitative and qualitative analyses together form the basis for scenario development. Different combinations of key trends are used to describe possible scenarios of the future, which can then be used to design or test policies. Scenarios are used to identify a number of possible alternative futures and, optionally, how to get there. They are not predictions of the future. They show how different interpretations of the driving forces of change can lead to different possible futures.

Good scenarios:

—> Are based on the analysis of change drivers;

—> Allow critical uncertainties and predetermined elements to be distinguished;

—> Are compelling and credible; and

—> Are internally logical and consistent.

Scenarios may assist in making recommendations but they do not, in themselves, make the decisions. When building scenarios, the focus of interest needs to be agreed, the change drivers identified and the key uncertainties mapped to determine the critical planning area(s) for scenario development. For scenarios to be effective, they need to be plausible and compelling. There is a risk or even likelihood that audiences may 'pull back' from certain scenarios. As far as possible, the audience should be used for developing the scenarios and testing and verifying the plausibility and areas of comfort or discomfort in each scenario.

Typical steps in scenario generation are:

—> Assembling the scenario team;

—> Identifying drivers of change;

—> Bringing drivers together into a viable framework;

—> Producing initial mini-scenarios;

—> Reducing scenarios;

—> Testing the scenarios;

—> Writing the scenarios; and

—> Validating the scenarios.

For further information and examples you may refer to the following website:
<https://www.gov.uk/government/collections/foresight-projects>.

Policy Title	
Policy Background	
Please provide a brief description of the policy area and the hypotheses regarding the issues and sub-issues that the evidence is seeking to confirm.	
Sources of Evidence	
Please provide a brief description of the evidence types and sources utilised for conducting the evidence-based analysis.	
Evidence Gaps	
Please provide a description of the evidence gaps and how these gaps have been addressed.	
Policy Baseline Findings	
Please provide key baseline findings including: <ul style="list-style-type: none"> • Assessment of the scale/seriousness of the policy area; • Historic and recent trends across related sectors; • PESTLE Analysis main conclusions; • SWOT Analysis main conclusions; • Confirmation/review of issues and sub-issues; • Description of root causes; and • Overview if the policy has been addressed elsewhere and what were the results. 	
Policy Benchmark Findings	
Please provide key benchmark findings including: <ul style="list-style-type: none"> • Overview on selected benchmarks and the rationale for their selection; • Key lessons learned from benchmarks along: <ul style="list-style-type: none"> - Policy instruments; - Implementation approaches; - Utilised enablers; - Monitoring and evaluation approaches and systems; and - Policy results. 	
Analysis of the Policy's Potential Futures	
Please provide key forecasting and scenario development results including: <ul style="list-style-type: none"> • Assessment of key trends and potential future developments which could impact the policy area; and • How the policy area is likely to evolve in the future. 	

Policy Objectives					
Please list the statements of policy objectives.					
Policy Impacts	Indicators	Targets (for year 1)	Targets (for year 2)	Targets (for year 3)	Targets (for year N)
Policy Outcomes	Indicators	Targets (for year 1)	Targets (for year 2)	Targets (for year 3)	Targets (for year N)
Policy Outputs	Indicators	Targets (for year 1)	Targets (for year 2)	Targets (for year 3)	Targets (for year N)

Annex 4B: Overview of the Options' Costs and Benefits for which No Market Price Exists per Year (AED) | Optional

Option Number	Option Title	Year 0-2		Year 3-6		Year 7-10		Total
		Overview of Costs/Benefits	Score Out of 10	Overview of Costs/Benefits	Score Out of 10	Overview of Costs/Benefits	Score Out of 10	
A. TOTAL NON-MONETARY COSTS								
NON-MONETARY COSTS								
B. TOTAL NON-MONETARY BENEFITS								
TOTAL BENEFITS-COSTS (B-A)								

Annex 4A: Overview of the Options' Monetary Costs and Benefits by Year (AED) | Optional

Option Number	Option Title	Year	0	1	2	3	4	5	6	7	8	9	10	TOTAL
		Initial Capital Costs (as applicable from the list)												
Land														
Building														
Equipment														
Machinery														
Furniture														
IT														
A. TOTAL (AED)														
Consulting														
R&D														
Testing														
Security														
B. TOTAL (AED)														
Staff														
Rent														
Maintenance														
Production														
Sales/Distribution														
Utility														
General Administrative														
C. TOTAL (AED)														
D. TOTAL COSTS (A+B+C) (AED)														
Revenues														
Cost Savings														
Social Benefits														
Economic Benefits														
Environment Benefits														
E. TOTAL BENEFITS (AED)														
TOTAL BENEFITS-COSTS (E-D) (AED)														

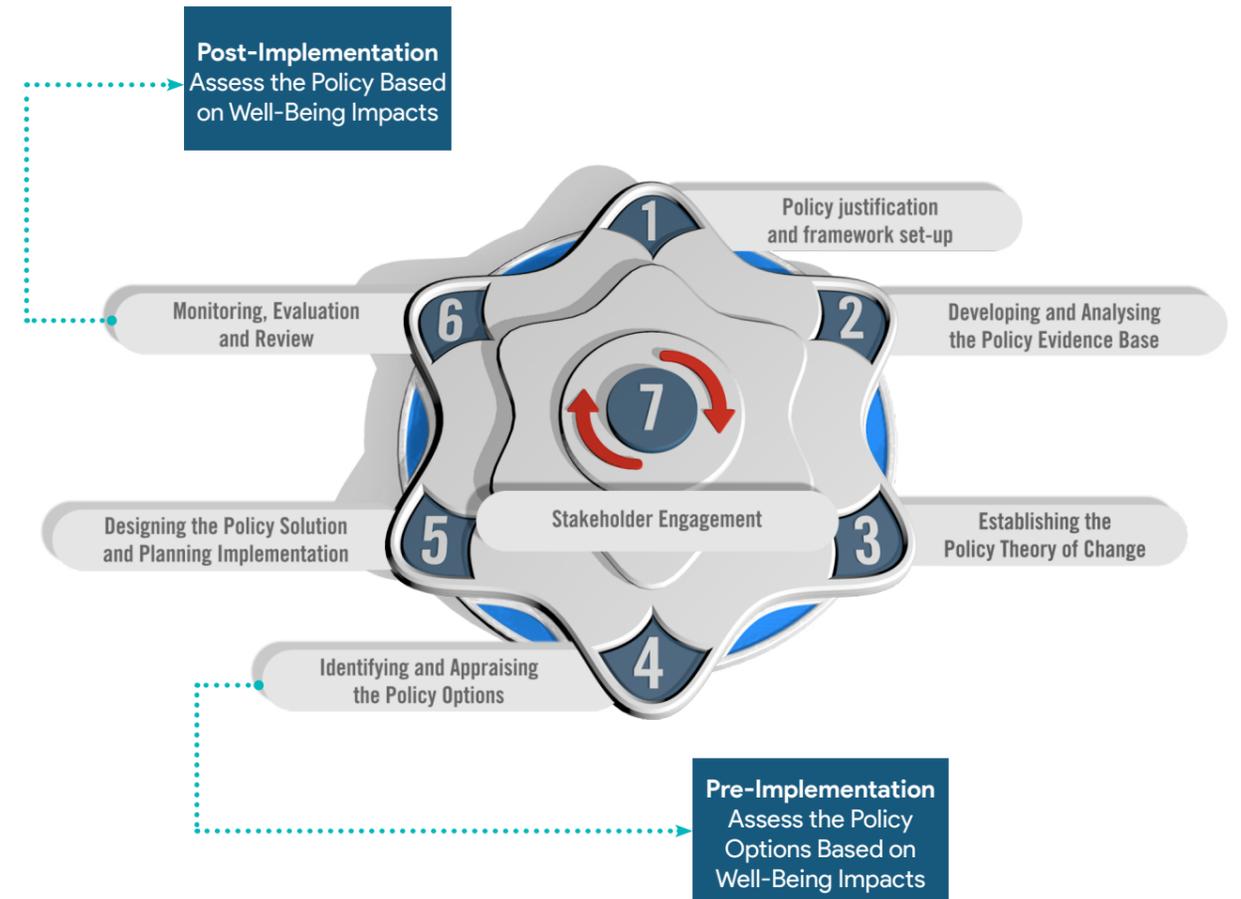
Annex 4D: Overview of the Policy to People (P2P) Impact Assessment Tool

Tool Objectives and Application

The Policy to People (P2P) Impact Assessment Tool was developed by the Executive Council of Dubai to provide an evidence-based metric that can be used by policy makers to appraise the alternative policy options as well as to assess the impact of implemented policies on well-being. The P2P Impact Assessment Tool has to be applied at two policy cycle phases:

- Phase 4: Identifying and Appraising Policy Options phase
- Phase 6: Policy Monitoring, Evaluation and Review phase

Since well-being and happiness are key objectives of the Government of Dubai, this Tool is intended to enable policy makers to design and implement public policies that will best achieve the goal of maximising general well-being.



Annex 4C: Overview of the Options' Non-Monetary Costs and Benefits | Optional

Option Number	Option Title	Year 0-2		Year 3-6		Year 7-10	
		Description of Impact	Score Out of 10	Description of Impact	Score Out of 10	Description of Impact	Scored Out of 10
SOCIAL							
A. TOTAL SCORE							
ECONOMIC							
B. TOTAL SCORE							
ENVIRONMENT							
C. TOTAL SCORE							
TOTAL IMPACT (A+B+C)							

Option could have a positive social, economic or environmental impact (i.e. benefit) or negative impact (i.e. cost)

Tool Domains and Components - (Part 1)

The P2P Impact Assessment TPeople, Society, Experience, Place, Economy and Government which lays out six broad themes around People, Society, Place, Space, Economy, and Government. These DP2021 themes represent the overarching structure of the P2P Tool, and based upon which twelve domains and their respective components were mapped, as per the table below:

Dubai 2021 Themes	P2P Well-Being Domains	P2P Well-Being Components	Definitions of P2P Well-Being Components
People (A city of happy, creative and empowered people)	Work	Employment Opportunities/ Job Creation	<ul style="list-style-type: none"> To what extent will the policy create jobs and increase employment opportunities for people in Dubai?
		Job Quality	<ul style="list-style-type: none"> To what extent will the policy impact job quality, including: workplace characteristics such as pay levels, degree of autonomy, on-the-job learning, co-worker support and work-life balance?
		Productivity	<ul style="list-style-type: none"> To what extent will the policy impact how productive people are in their jobs? For example, will the policy raise human capital leading to greater problem-solving skills? Or will the policy introduce a certain technology that facilitates resolving professional challenges?
	Education	Access to Education	<ul style="list-style-type: none"> To what extent will the policy broaden access to education to different groups of people, and to disadvantaged groups in particular?
		Quality of Education	<ul style="list-style-type: none"> To what extent will the policy impact the quality of education, for example, will it enhance people's learning experience, and the grades and attainment levels they are likely to achieve?
		Life-Long Learning	<ul style="list-style-type: none"> To what extent will the policy have an impact on people's continual learning throughout adulthood?

Tool Domains and Components - (Part 2)

People (A city of happy, creative and empowered people) [cont.]	Physical and Emotional Health	Access to Healthcare	<ul style="list-style-type: none"> To what extent will the policy broaden access to healthcare to different groups of people, and to disadvantaged groups and persons with disabilities in particular?
		Quality of Healthcare	<ul style="list-style-type: none"> To what extent will the policy impact the quality of healthcare, for example, the ratio of medical staff to patients as well as the latest use of medical advances?
		Healthy Behaviours	<ul style="list-style-type: none"> To what extent will the policy encourage or discourage people to live healthy lifestyles, for example by encouraging healthy eating, body movement, or smoking cessation?
		Physical Health Status	<ul style="list-style-type: none"> To what extent will the policy have an impact on health outcomes, i.e. people's health status, for example, people's physical health such as heart conditions and body-weight mass index?
		Emotional Health Status	<ul style="list-style-type: none"> To what extent will the policy have an impact on people's emotional health such as incidences of depression, stress and anxiety disorders?
Society (An inclusive and cohesive society)	Society	Social Cohesion	<ul style="list-style-type: none"> To what extent will the policy have an impact on the social fabric of Dubai? For example, will the policy enhance people's sense of responsibility for the well-being of others around them? Create a sense of belonging? Promote trust among different segments of society? Ensure people respect and accept others from different backgrounds and beliefs?
		Social Inclusion	<ul style="list-style-type: none"> To what extent will the policy impact social safety nets? Protect people from discrimination and marginalization? Impact people's opportunities for upward mobility?
		Volunteering/ Charity	<ul style="list-style-type: none"> To what extent will the policy increase or decrease the amount of time that people spend volunteering and/or other resources that people give to charity?
	Family	Family Cohesion	<ul style="list-style-type: none"> To what extent will the policy affect family relationships? For example, will the policy bring families closer together and strengthen the family ties? Will it affect the amount and quality of time people are able to spend with their families?

Tool Domains and Components - (Part 3)

Experience (The preferred place to live, work, and visit)	Culture and Leisure	Engagement in and Contribution to Arts	<ul style="list-style-type: none"> To what extent will the policy affect cultural life in Dubai? For example, will it affect people's engagement in arts and attendance of cultural events?
		Engagement in and Contribution to Sports and Leisure	<ul style="list-style-type: none"> To what extent will the policy affect people's engagement in sports and other leisure activities?
		Heritage Preservation	<ul style="list-style-type: none"> To what extent will the policy affect the way in which people think about, engage with and preserve Dubai's historical past?
Place (A smart and sustainable city)	Natural Environment	Air Quality and Carbon Footprint	<ul style="list-style-type: none"> To what extent will the policy affect Dubai's natural environment? For example, will the policy lower air pollutants and carbon dioxide emissions from traffic or industrial activity?
		Water Quality	<ul style="list-style-type: none"> To what extent will the policy increase or decrease the quality of drinking water as well as the water quality of the canal and beach fronts?
		Preservation of other Elements of the Natural Environment	<ul style="list-style-type: none"> To what extent will the policy have negative or positive effects on the wider natural environment as the city develops? For example, what will be the impact on biodiversity?
	Urban Environment	Buildings	<ul style="list-style-type: none"> To what extent will the policy have effects on the urban environment, for example, on the durability and maintenance requirements of construction buildings as well as the esthetic quality and efficiency of the architecture?
		Green and Open Spaces	<ul style="list-style-type: none"> To what extent will the policy increase the amount of, access to, and the quality of green and open spaces that are available to the public?
		Noise and Heat Islands	<ul style="list-style-type: none"> To what extent will the policy increase or decrease the amount of unwanted urban noise and heat islands?
		Mobility	<ul style="list-style-type: none"> To what extent will the policy affect public transport services as well as the traffic flow, walkability and bikeability around the city?

Tool Domains and Components - (Part 4)

Economy (A pivotal hub in the global economy)	Living Standards	Income	<ul style="list-style-type: none"> To what extent will the policy affect people's material lives in Dubai, for example, how will it affect households' incomes and purchasing power?
		Housing	<ul style="list-style-type: none"> To what extent will the policy affect people's access to quality and affordable housing in appropriate locations?
	Economic Equity	Income Distribution	<ul style="list-style-type: none"> To what extent will the policy affect economic equity in Dubai, i.e. the distributional consequences of the policy in terms of income? For example, is the policy likely to alleviate or exacerbate economic inequality? Will the policy unfairly affect the economic situation of certain groups, disadvantaged groups in particular?
		Economic Fairness	<ul style="list-style-type: none"> To what extent will the policy have consequences in terms of the fairness of economic opportunities? Will it, for example, affect the chances of women in the workplace and the extent to which they have the same opportunities as men?
	Business Environment	Ease of Doing Business	<ul style="list-style-type: none"> To what extent will the policy have an impact on the business environment? How will the policy affect how successfully businesses are able to set up and run their operations easily?
		Entrepreneurship	<ul style="list-style-type: none"> To what extent will the policy assess the ability of entrepreneurs to start new successful ventures, for example, by affecting people's ability to receive training, capital and support in the entrepreneurial sector?

Government (A pioneering and excellent government)	Governance and Services	Access to Government Services	<ul style="list-style-type: none"> To what extent will the policy affect the provision of government services, for example, in terms of broadening access of public services to disadvantaged groups?
		Quality of Service Provision	<ul style="list-style-type: none"> To what extent will the policy improve or weaken the quality of government services, for example, through the provision of customer-centric and automated services?
		Safety and Security	<ul style="list-style-type: none"> To what extent will the policy affect people's safety and security in Dubai, for example in terms of putting people in more or less danger from accidents or from becoming more or less protected from being victims of crime?
		Participation in Government	<ul style="list-style-type: none"> To what extent will the policy increase or weaken people's engagement with and participation in the governing process, for example by voicing opinions and giving feedback?
		Trust in Government	<ul style="list-style-type: none"> To what extent will the policy affect people's trust in those in power as well as their trust in the broader governing system of Dubai?
		Access to Information	<ul style="list-style-type: none"> To what extent will the policy have an impact on government transparency - that is, people's access to key information and data and the processes by which they are governed?

Policy makers will be asked to score their policies based on the P2P Tool spreadsheet, a separate Excel attached to the Public Policy Guide, in order to score the policy domains and their components according to the following scoring categories:

1. Impact Scoring
2. Scope Scoring
3. Time Scoring

1. Impact Scoring

Policy makers will be requested to evaluate the impact of the policy domains and components, providing a score between -5 and 5:

- A score ≥ 4 indicates a strongly positive (negative) impact.
- A score of 3 indicates a moderately positive (negative) impact.
- A score between 1-2 indicates a mildly positive (negative) impact.
- A score of 0 indicates the policy does not affect this variable or the impact is unknown.

Negative Impact					Positive Impact					
-5	-4	-3	-2	-1	0	1	2	3	4	5
Strong		Moderate		Mild	-	Mild	Moderate		Strong	

2. Scope Scoring

As policies can impact people in ways that are direct or indirect, policy makers will be asked to score the scope of the policy along these two dimensions.

DIRECT IMPACT

This requires policy makers to estimate a broad range for the total number of people directly affected by the policy intervention, as follows:

- A very broad scope refers to impacting between 80-100% of the population.
- A broad scope refers to impacting between 60-80% of the population.
- A medium scope refers to impacting between 40-60% of the population.
- A narrow scope refers to impacting between 20-40% of the population.
- A very narrow scope refers to impacting less than 20% of the population.

INDIRECT IMPACT

This requires policy makers to estimate a broad range for the total number of people indirectly affected by the policy intervention. For example, if a policy raises educational opportunities for a person who is part of the target population does this also raise educational and learning opportunities for other individuals in their family or community and, if so, for how many other individuals would there be a meaningful spill-over effect in total? A meaningful spill-over effect refers to an effect approximately equivalent to 1/3 or more of the direct effect on the target population of the policy. Policy makers will be requested to provide a range of estimates in the same way as for the direct impact.

3. Time Scoring

Policies can vary greatly in the duration of impact. Policy makers will be requested to provide an estimate for the number of years the scored policy impact will likely last.

- Short-term means the impact is expected to last less than 1 year.
- Medium-term means the impact is expected to last between 1 and 5 years.
- Long-term means the impact is expected to last for more than 5 years.

Justification

Policy makers will be requested to provide score justification where a strong (≥ 4) impact is predicted. They will be requested to provide evidence that exists from any pilot studies and trials, previous policy evaluations, findings in the academic literature, and policy reports.

Tool Domain Weightings

In order to make policies that are focused on improving people's lives, it is important to gain a sense of which domains have the greatest impact upon people's overall well-being. Having defined the well-being domains and components, it is important to gain a sense of which domains have the greatest impact upon people's overall well-being. Only then can a policy maker begin to simulate the impact of a policy in terms of well-being. Thus, a key issue is to derive the weightings of the policy domains in terms of their relative importance in driving well-being in Dubai.

To derive such weights, data from the Executive Council's Dubai Pulse survey collected by Gallup Organization was used. The Pulse survey was first conducted in early 2014 (Sample =1,200), and then repeated in late 2015 (N=2,584) and the beginning of 2017 (N=2,614). In each of the three survey waves, a question was asked of all respondents about their overall sense of evaluative well-being, measured on a scale of 0 to 10¹³.

In addition to the question on well-being, a large range of further questions were asked relating to various aspects of people's lives. For the sake of the Tool, these survey items were categorised according to their best alignment to the Tool's twelve policy domains.

Having run a dominance analysis, or relative importance analysis, the following weights were derived across these domains using the 2017 edition of the Pulse survey:

P2P Well-Being Domains	Dubai Population 2017 Well-being Weights	Nationals-only 2017 Well-being Weights
Work	0.19	0.15
Education	0.05	0.07
Physical and Emotional Health	0.15	0.14
Family	0.11	0.11
Society	0.06	0.06
Culture and Leisure	0.07	0.06
Natural Environment	0.01	0.01
Urban Environment	0.01	0.02
Living Standards	0.23	0.25
Equity	0.05	0.04
Business Environment	0.04	0.05
Governance and Government services	0.04	0.03

These weights will be updated on a regular basis to align to the annual updated Pulse survey.

This question is the Cantril Ladder, which asks respondents: "Please imagine a ladder with steps numbered from zero at the bottom to 10 at the top. The top of the ladder represents the best possible life for you and the bottom of the ladder represents the worst possible life for you. On which step of the ladder would you say you personally feel you stand at this time?"

Tool Final Calculations

The P2P Impact Assessment Tool employs the information that is inputted by policy makers and integrates the policy domain impact level and the scope and time effects as well as the relative importance of the policy domains in contributing to well-being in Dubai.

The impact scores for each component are averaged for each of the twelve policy domains. The direct and indirect scope estimates are summed (although the indirect scope is weighted down to one-third of its estimate). The weighted component score is obtained by multiplying the domain impact score by the general time and total scope scores as well as the relative well-being importance weight. The overall P2P Impact Score is the sum of the weighted component scores. A total score for the policy proposal is displayed in the final summary tab of the workbook. The total score runs between -100 and 100. This score can be used as follows:

- When applied in Phase 4 of the Policy Cycle: Identifying and Appraising Policy Options, the P2P Overall Score will be used to compare the expected well-being impacts of alternative policy options, the option with the highest score reflecting the highest potential well-being impact.
- When applied in Phase 6 of the Policy Cycle: Policy Monitoring, Evaluation and Review, the P2P Overall Score will be used to compare the actual post-implementation well-being impacts of the selected policy option to the expected pre-implementation impact of the same option (which has been calculated in Phase 4) to assess if the policy exceeded, met or did not meet the anticipated well-being impacts.

Annex 4E: Calculating and Comparing Net Present Values of Policy Options

Appraisal of options should include the calculation of the Net Present Value (NPV) for each option. NPV is the sum of the discounted benefits of an option less the sum of its discounted costs. Where the sum of the discounted costs exceeds that of discounted benefits, the result would be a negative NPV. The decision rule is to select the option that offers the highest non-negative NPV.

To discount future cash flows for each option, policy makers should remove:

—> **Inflation:** Future values are adjusted to remove the effects of price rises; and

—> **Time Value of Money:** Future values are adjusted because individuals prefer a dirham today rather than the more uncertain promise of a dirham tomorrow.

Calculating the NPV requires clearly defining the:

—> **Base Year:** The year in which the value of all costs and benefits are expressed;

—> **Discount Rate:** The percentage rate used to convert all future costs and benefits to present values; the discount rate ranges between 3-6% in countries like the United Kingdom and between 10-15% in developing countries; and

—> **The formula used is:** $D=1/(1+r)^n$ where D is the discount factor, r is the discount rate and n is the number of years under consideration. The table below provides an example of applying the discount factor to assess the NPVs of alternative options.

Net Present Value (NPV) Assessment

If NPV > 0	The option adds value-for-money.
If NPV < 0	The option reduces value-for-money.
If NPV = 0	The option does not contribute to value-for-money.

The UK HM Treasury Office (2003). 'The Green Book: Appraisal and Evaluation in Central Government'

Policy Title	
Policy Background and Objectives	
Please provide a brief description on the policy background and objectives.	

Policy Instruments	Policy Options	Option Cost (AED)	Option Benefit (AED)	Option NPV (AED)	Other (Qualitative) Impacts	Risks	Recommendations

Recommendation
Please provide a brief description of the recommended option and how it contributes to the policy objectives and value-for-money.

Example of Calculating the Discount Factor and the Net Present Value

Year	0	1	2	3	4	Net Present Value
Discount Factor (for Discount Rate = 10%)	1	$D1=1/(1+10\%)^1$	$D2=1/(1+10\%)^2$	$D3=1/(1+10\%)^3$	$D4=1/(1+10\%)^4$	
		0.909	0.826	0.751	0.683	
Option 1: Requires AED 100 million in initial capital investment to realise benefits of AED 25 million per annum for 4 years	Cost (Million AED)	100	0	0	0	
	Benefit (Million AED)	0	25	25	25	25
	Present Value (Benefit-Cost) (Million AED)	-100	$22.7 (25 \times D1)$	$20.7 (25 \times D2)$	$18.8 (25 \times D3)$	$17.1 (25 \times D4)$
Option 2: Requires AED 25 million in initial capital investment to realise benefits of AED 15 million per annum for 4 years	Cost (Million AED)	25	0	0	0	
	Benefit (Million AED)	0	15	15	15	15
	Present Value (Benefit-Cost) (Million AED)	-25	$13.6 (15 \times D1)$	$12.4 (15 \times D2)$	$11.3 (15 \times D3)$	$10.2 (15 \times D4)$

Please list the information/communication disclosure limitations.

Communication Limitations

Key Stakeholders	Stakeholder Interest/Influence	Communication Objectives	Content/Key Objectives	Communication Techniques/Channels	Timing	Owner

Annex 5C: Communication Plan Template | Optional

Annex 5D: Explanatory Memorandum to the Draft Legislation | Optional

Explanatory Memorandum to the Draft Legislation			
Date			
1. Information on Legislation			
Legislation Title			
Procedure Type	<input type="checkbox"/> New Legislation	<input type="checkbox"/> Amendment to Existing Legislation	<input type="checkbox"/> Cancellation of Existing Legislation
Legislation Type	<input type="checkbox"/> Legislation	<input type="checkbox"/> Regulation	<input type="checkbox"/> Decision
	<input type="checkbox"/> Decree	<input type="checkbox"/> Order	<input type="checkbox"/> List
Authority that Adopts Legislation			
Importance of Legislation and its Underlying Reasons			
2. Content of Proposed Legislation			
Please describe the main provisions to be included in the legislation.			
3. Impact of Proposed Legislation and Effect on Existing Legislation			
Please describe the impact of the proposed legislation (including impact on federal or local legislation and other agreements).			
4. Key Legislation Stakeholders and Required Coordination Mechanisms			
Please describe stakeholders impacted by the legislation and the proposed coordination mechanisms.			
5. Proposed Date for Enacting Legislation			
6. Degree of Alignment between Proposed Legislation and other Federal, Local and Comparable Legislations			
7. Entity Adopting Legislation			
Name		Signature	
Date			

Legislation Proposal Template	
Date	
Legislation Title	
Subject of Proposed Legislation	<ul style="list-style-type: none"> • Please describe the objectives of developing new legislation or amending existing legislation. • Please describe the reasons necessitating issuance or amendment of legislation.
General Provisions	<ul style="list-style-type: none"> • Please describe general provisions included in the legislation.
Effective Date	<ul style="list-style-type: none"> • Please define a date for enacting the legislation.
Attachments	<ul style="list-style-type: none"> • Word version of the Legislation Proposal • Electronic version of the Legislation Proposal • Copy of memorandum of the initial approval of policy • Communication documents with the entity submitting the request

Entity Adopting Legislation			
Name		Signature	
Date			

Memorandum Request for Legislation Issuance Template	
Date	
Legislation Title	
Subject of Proposed Legislation	<ul style="list-style-type: none"> • Please describe the objectives of developing legislation or amending existing legislation. • Please describe the reasons necessitating issuance or amendment of legislation.
Legislation Content and General Provisions	<ul style="list-style-type: none"> • Please describe general provisions included in the legislation.
Attachments	<ul style="list-style-type: none"> • Word version of the Legislation Proposal • Electronic version of the Legislation Proposal • Copy of memorandum of the initial approval of policy • Communication documents with the entity submitting the request

Entity Adopting Legislation			
Name		Signature	
Date			

Annex 6B: Monitoring Report Template - (Part 2)

3. KPI Monitoring Template

KPI	Baseline	5-Year Target	1-Year Target	Actual KPI Result	Status	Challenges/Issues

Status ● On Track ● Small Variance ● Critical Variance

Key Required Decisions

Annex 6C: Evaluation Project Specification Template - (Part 1) | Optional

Policy Title: Please insert the title of the policy to be evaluated.

Policy Background and Objectives
<p>Please provide a high-level description of the policy background, rationale and objectives, its target recipients, delivery method and intended outcomes.</p>

Existing Evidence Base for the Policy
<p>Please provide a high-level description of existing evidence from electronic resources and data, previous studies, strategies, policies and policies' evaluation in addition to monitoring data.</p>

Evaluation Objectives and Research Questions
<p>Please insert the evaluation objectives and key research questions that the evaluation aims to address.</p>

Policy Proposed Evaluation Approach
<p>Please insert the proposed evaluation approach, research design and methods.</p>

Policy Evaluation Data Requirements
<p>Please insert the policy evaluation data requirements.</p>

Annex 6C: Evaluation Project Specification Template - (Part 2)

Policy Evaluation Required Resources
Please provide a description of the required evaluation budget.
Please provide a description of the required evaluation team (including required capabilities, skills and experience) and if evaluation needs to be externally commissioned.
Please provide a description of the required evaluation systems.

Policy Evaluation Governance
Please provide a description of the required evaluation governance.

Policy Evaluation Plan		
Please insert the policy evaluation milestones.	Please insert the milestone dates.	Please insert the milestone responsibilities.

Policy Evaluation Dissemination
Please provide a description on how the policy will be disseminated (e.g. to who and in what format).

Annex 7A: Stakeholder Engagement Plan Template | Optional

Key Stakeholders
<ul style="list-style-type: none"> Who are the stakeholders to be included? What is known about these stakeholder groups (such as their characteristics, behaviour, values, cultures and needs)? What roles will the stakeholders play? How will they contribute to the achievement of desired goals?

Communication Plan
<ul style="list-style-type: none"> Please refer to Annex 5C; this will be prepared as a separate document and attached to the Stakeholder Engagement Plan.

Timing of Engagement
<ul style="list-style-type: none"> What are the timeframes for engagement and are there any constraints around time?

Levels of Engagement
<ul style="list-style-type: none"> What level of engagement/influence is appropriate for each stakeholder/stakeholder group in relation to the purpose of the engagement?

Methods of Engagement
<ul style="list-style-type: none"> What are the appropriate methods of engagement for each stakeholder/stakeholder group? Who will be the owner of the engagement process? Who will administer the engagement process? Who will facilitate the engagement process? What are the required logistics?

Resources
<ul style="list-style-type: none"> What financial resources will be required for conducting stakeholder engagement? What human resources (expertise and time) will be required for conducting stakeholder engagement? What information and communication technologies will be required?

Risks and Issues Management
<ul style="list-style-type: none"> What are the potential risks relating to the engagement process? What issues need to be resolved? How will these risks and issues be resolved?

Source: Government of Western Australia, Department of Finance, Government Procurement (2015). 'Stakeholder Engagement Guidelines for Community Services Procurement', (p. 30-31)

Annex 8: Case Study on Dubai Health Insurance Policy¹⁴

This Annex is intended to cover the policy cycle phases and apply the theories and templates covered in Chapters 1-7 of the Public Policy Guide at hand for developing Dubai Health Insurance Policy, in particular:

1. Dubai Health Insurance Policy Justification and Framework Set-Up
2. Developing and Analysing Dubai Health Insurance Policy Evidence Base
3. Establishing Dubai Health Insurance Policy Theory of Change
4. Identifying and Appraising Dubai Health Insurance Policy Options
5. Designing Dubai Health Insurance Policy Solutions and Planning Implementation
6. Dubai Health Insurance Policy Monitoring, Evaluation and Review
7. Dubai Health Insurance Policy Stakeholder Engagement

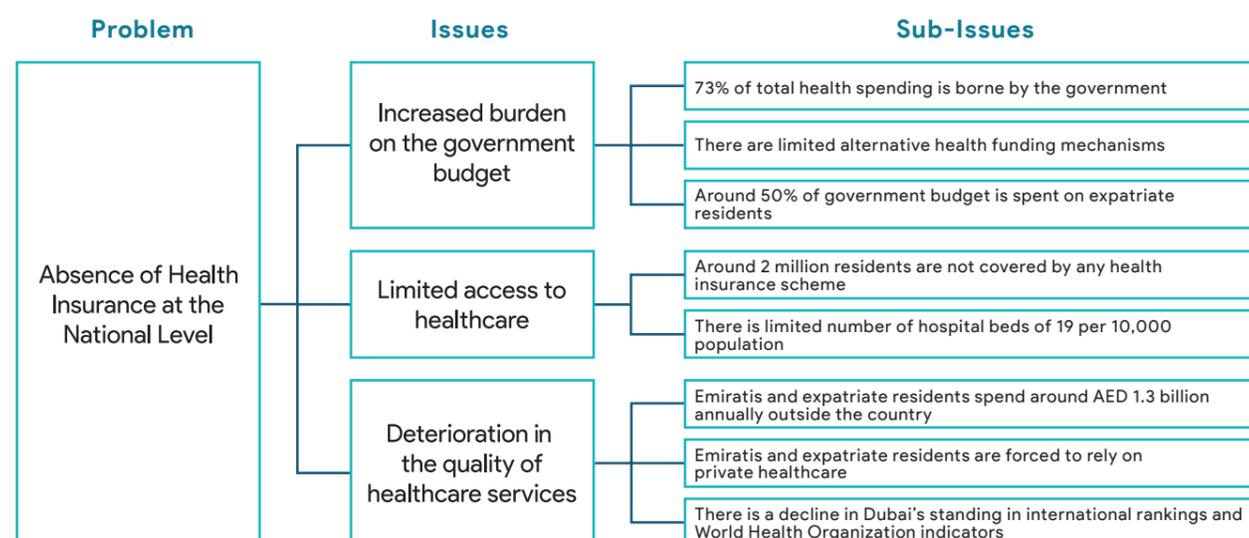
1. Dubai Health Insurance Policy Justification and Framework Set-Up

Dubai Health Insurance Policy was triggered by increasing health spending, limited access to healthcare due to low insurance coverage, in addition to the deterioration in the quality of healthcare services.

This first phase of developing Dubai Health Insurance Policy aims to scope the Policy project, identifying and framing its issues and sub-issues, assessing the feasibility of government intervention and setting up the project governance and team.

The Issues Tree Diagram helps cascade the Policy problem into its key issues and sub-issues, as follows.

Dubai Health Insurance Policy Issues Tree Diagram



The Policy Justification Brief is the key deliverable of the "Policy Justification and Framework Set-Up" phase. It aims at defining the Policy problem and identifying the Policy objectives, scope, context, key deliverables, governance, information and budget requirements and key risks.

¹⁴The case study on Dubai Health Insurance Policy was developed in close coordination with Dubai Health Authority for whom we would like to express our sincere appreciation and gratitude. The Policy was developed in alignment with the public policy cycle followed in the Public Policy Guide at hand and using the templates included in the Guide Appendices. Please note that the templates have been adapted to fit the context and the deliverables of the Policy under consideration. Given that this Policy was finalized in 2013, most of the data used corresponds to the years 2010-2013.

Dubai Health Insurance Policy Justification Brief - (Part 1)

Policy Title	Dubai Health Insurance Policy
Problem Definition and Rationale for Government Intervention	
<p>The Government of Dubai's health spending has been increasing significantly to around AED 3 billion in 2012 and at an annual rate of around 16% since 2000. Around 52% of Emiratis and more than 70% of expatriate residents do not have health insurance. The absence of health insurance is causing a number of significant challenges, including:</p> <ul style="list-style-type: none"> • Increased burden on the government budget, expected to grow to AED 5 billion by year 2015; • Inability to meet residents' healthcare requirements as the number of people who do not have access to healthcare services is estimated at around 2 million; • Deterioration in the quality of healthcare services and heavy reliance on medical treatments outside the UAE; • Decline in health international rankings in comparison to cities or countries that have enacted health insurance schemes; • Decline in World Health Organization indicators, especially in the number of hospital beds per 10,000 population, as the current indicator is 19 per 10,000 population. <p>As such, there is an urgent need for government intervention through developing and implementing a health financing model that is highly dynamic and responsive to Dubai's health, demographic and economic challenges, and one which does not impose financial burden on the government budget.</p>	

Policy Objectives
<ul style="list-style-type: none"> • Provide health insurance coverage for Emiratis and expatriate residents; • Establish a high-quality, flexible and sustainable healthcare system in line with international standards, without imposing a financial burden on the government budget; • Enhance Dubai's competitiveness both locally and globally in quest to be the #1 healthcare system in the world; • Develop Dubai's health economics and encourage medical investments and tourism; and • Align Dubai's healthcare system to global best practices in healthcare and attract the best medical expertise.

Policy Context
<p>The Policy originates from Dubai Strategic Plan 2015 where one of the objectives was to: "Improve the quality of healthcare services and the health status of the population".</p>

Policy Scope	
<p>The Dubai Health Insurance Policy will assess various potential options along:</p> <ul style="list-style-type: none"> • Health insurance schemes (including healthcare access and coverage); • Health insurance target groups including Emiratis, expatriate residents and visitors; and • Health insurance responsibilities (e.g. roles of the Dubai Health Authority, employers, insurance companies, claim administration companies, health service providers, etc.). <p>The Policy will assess the costs and benefits associated with each of the considered options.</p>	

Policy Governance	
Project Sponsor	Director General of Dubai Health Authority
Steering Group/ Committee	Health and Safety Committee
Manager	Representative from the Health Insurance Department at Dubai Health Authority
Project Team	<ul style="list-style-type: none"> - Dubai Health Authority - The Executive Council of Dubai - The Supreme Legislation Committee - Dubai Department of Finance - General Directorate of Residency and Foreigners Affairs - Department of Economic Development - Ministry of Human Resources & Emiratisation (previously Ministry of Labour)

High-Level Information Requirements	
<ul style="list-style-type: none"> • Demographic distribution of healthcare beneficiaries (by nationality and income levels) • Number of Emiratis working for the Government of Dubai and related entities • Number of Emiratis working in the private sector • Number of employed expatriate residents, their spouses and dependents • Number and size of entities (employers) by sector • Salaries of employees in the different entities • Dubai Health Authority's annual expenditures for the past 10 years • Breakdown of Dubai Health Authority's annual expenditures • Government of Dubai's healthcare budget • Contribution of the private sector to the health sector • Number of Emiratis and expatriate residents covered by existing health insurance schemes • Number of insurance companies and insurance intermediaries in Dubai 	

Key Stakeholders	Consultation Mechanisms
<ul style="list-style-type: none"> • Dubai Health Authority • The Executive Council of Dubai • Dubai Department of Finance • General Directorate of Residency and Foreigners Affairs • Department of Economic Development • Ministry of Human Resources & Emiratisation (previously Ministry of Labour) • Dubai Government Human Resources Department • Emiratis in Dubai • Expatriate residents with Dubai visas • Employers • Claim administration companies • Health service providers 	<ul style="list-style-type: none"> • Meetings with government entities throughout the Policy design phase; • Benchmarks of insurance systems in the UAE and Saudi Arabia to benefit from their experience in implementing similar policies; • International benchmarks and visits to the Unites States of America, Germany, Switzerland, Netherlands, Australia, the United Kingdom, Ireland, Singapore, etc. to derive lessons learned; • Meetings and focus groups with private sector entities, such as insurance and claim administration companies, health service providers as well as potential insurance system applicants, to benefit from their experiences and practical applications; and • Meetings and focus groups with employers to facilitate their participation in the system.

Key Risks	Mitigation Plan
Increased costs and resistance from employers	<ul style="list-style-type: none"> • Reducing the cost of the Essential Benefits Plan; • Putting in place strict monitoring and control systems; • Providing comprehensive information to all health insurance stakeholders; • Providing sufficient time for employers to plan the Policy roll-out; and • Phasing out the Policy implementation.
Delays in executing the new system	<ul style="list-style-type: none"> • Developing a comprehensive implementation plan with clear roles and responsibilities; • Ensuring the availability of the required financial and human resources and putting in place the necessary systems; and • Communicating with all stakeholders and announcing the new Policy clearly.
Negative effects on the behaviour of certain private sector health service providers (e.g. abusing the system to account for undue services)	<ul style="list-style-type: none"> • Providing incentives to compliant providers to encourage positive behaviour of service providers; • Implementing an electronic claims system for effective control; • Installing the appropriate monitoring systems in place; and • Imposing strict penalties to avoid system misuse and/or abuse.

2. Developing and Analysing Dubai Health Insurance Policy Evidence Base

The second phase of developing Dubai Health Insurance Policy aims at sourcing, collecting and analysing the best available evidence in order to establish the Policy baseline, benchmarks and possible futures. The main output of this phase is the Dubai Health Insurance Policy Analytical Report.

Baseline development utilises two main tools to assess the internal and external environments that affect Dubai Health Insurance Policy. These are:

→ PESTLE Analysis to analyse external factors relating to the Policy; and

→ SWOT Analysis to analyse internal and external operating environments relating to the Policy.

PESTLE Analysis for Dubai Health Insurance Policy - (Part 1)

Dimension	Description	Importance
Political	<ul style="list-style-type: none"> Decline in Dubai's international rankings in comparison with cities or countries that have enacted health insurance systems, which contradicts Dubai Plan 2015 objectives. The presence of a large percentage of workers not covered by health insurance is not in line with international conventions on the protection of migrant workers' rights, especially with Dubai's hosting of the Expo 2020. 	High
Economic	<ul style="list-style-type: none"> The government's health spending has been increasing at an annual rate of 16%. Total health spending is around AED 5.2 billion in Dubai, which is around 2% of GDP; around 73% of total health spending is borne by the government. Over 50% of Dubai Health Authority's budget goes to finance healthcare for expatriate residents. Emiratis and expatriate residents spend around AED 1.3 billion in healthcare abroad. 	High
Socio-Cultural	<ul style="list-style-type: none"> More than 52% of the Emiratis and 70% of the expatriate residents do not have health insurance and there is lack of alternative health financing mechanisms. Deterioration in the quality of healthcare services and heavy reliance on medical treatments outside the UAE. Decline in World Health Organization indicators, especially for the number of hospital beds per 10,000 population, as the current indicator is 19 beds per 10,000 population. Limited access of low income workers to healthcare services. 	High

PESTLE Analysis of Dubai Health Insurance Policy - (Part 2)

Dimension	Description	Importance
Technological	<ul style="list-style-type: none"> Lack of technical usage to analyse health statistics. There is an opportunity to utilise the eClaimLink gate at Dubai Health Authority for all health insurance claims 	Medium
Legal	<ul style="list-style-type: none"> Development of the Federal UAE Health Insurance Law is underway; the Law has been developed in line with international best practices and local experiences. Implementation regulations of the Federal UAE Health Insurance Law have been drafted. Internal regulations, policies and procedures are currently underway. 	High
Environmental	<ul style="list-style-type: none"> The Policy does not have direct environmental implications. 	Low

SWOT Analysis for Dubai Health Insurance Policy - (Part 1)

	STRENGTHS	WEAKNESSES
INTERNAL	<ul style="list-style-type: none"> Dubai Health Authority started developing the required regulations and appointing the required administrative staff. Development of the appropriate health facilities systems has been initiated to be aligned to the required health insurance system and to be able to compete with the private sector across all levels. There are in Dubai more than 40 insurance companies and more than 50 insurance intermediaries. Around 30% of companies already have insurance schemes that are aligned to the proposed Policy. Health insurance services are offered by all Dubai hospitals (22 hospitals) and more than 90% of the clinics and pharmacies in Dubai (1200 clinics and pharmacies). All health insurance claims would pass through the eClaimLink gate of the Dubai Health Authority. 	<ul style="list-style-type: none"> Increased costs incurred by employers. Insufficient availability of human and financial resources to implement the proposed Policy. Insufficient experience of government health providers in dealing with health insurance schemes.

EXTERNAL	OPPORTUNITIES	THREATS
	<ul style="list-style-type: none"> The healthcare sector currently services around 1 million people. The contribution of the private sector will provide a new source of funding for the health sector of around AED 2-3 billion a year, and lead to around AED 1.35 billion in government savings. Health insurance structures are typically dynamic and responsive to economic and demographic evolutions which are in line with Dubai's rapid growth. 	<ul style="list-style-type: none"> Employers' potential resistance to the new Policy. Risk of provision of low quality healthcare services especially for beneficiaries of the Essential Benefits Plan. Significant increase in the cost of healthcare services, which might adversely affect Dubai's economy. Increased demand for healthcare services and limited capacity of health service providers' facilities and staff to handle this increase. Risks of private sector health service providers abusing the new system for uncovered services. Potential violation of patients' data confidentiality.

The Policy Analytical Report consolidates the evidence that has been collected and presents the main findings and analysis of the Policy baseline, benchmarks and its possible futures.

Dubai Health Insurance Policy Analytical Report - (Part 1)

Policy Title	Dubai Health Insurance Policy
Policy Background	
<p>The Government of Dubai's healthcare is facing a number of challenges, including increased financial burden on the government budget, inability to meet residents' healthcare requirements, low quality of healthcare services and deterioration in health indicators.</p> <p>As such, it is proposed to develop and implement a Health Insurance Policy that ensures financial sustainability in the provision of healthcare services in the Emirate with limited reliance on government funding, and the continued development of high-quality healthcare services and coverage that are in line with best practices.</p>	

Sources of Evidence
<p>Policy analysis involved the utilisation of the following sources of evidence:</p> <p>Quantitative/statistical evidence, including:</p> <ul style="list-style-type: none"> Dubai Statistics Center's demographic and labour market statistics; Dubai Health Authority's statistics on beneficiaries, expenditures, service and insurance providers, numbers and costs of inpatient and outpatient claims and numbers of doctors and hospital beds; Dubai Department of Finance's health budget and spending; and World Health Organization's international statistics and rankings. <p>Qualitative evidence, including:</p> <ul style="list-style-type: none"> Perceptions of potential beneficiaries; Perceptions of the relevant insurance and claim administration companies and health service providers; and Perceptions of employers. <p>Economic evidence, including:</p> <ul style="list-style-type: none"> Economic analysis of additional costs incurred by employers upon implementing the Policy; and Economic analysis of budget savings and returns from implementing the Policy.

Evidence Gaps
<p>There were some gaps in behavioural and attitudinal evidence on how the proposed Policy may affect employers' and beneficiaries' responsiveness (e.g. if beneficiaries may end up misusing the system or employers may be reluctant to join). This was mitigated by engaging both employers and beneficiaries to incorporate their concerns and by planning to put in place strong monitoring and control systems once the Policy is implemented.</p>

Policy Baseline Findings (baseline was conducted in 2010-2011)
<ul style="list-style-type: none"> Around 48% of Emiratis and 27% of expatriate residents have health insurance totalling to around 1 million people versus around 2 million who are not covered by any insurance. Around 80% of the Emiratis working in the Government of Dubai have health insurance. A small percentage of low income residents are currently insured; there are around 2.5 million low income residents. The Government of Dubai's healthcare spending has increased significantly to around AED 3 billion in 2012 and expected to increase to AED 5 billion by year 2015. Dubai's total health spending is around AED 5.6 billion, of which AED 2.5 billion is spent on Emiratis and AED 3.1 billion is spent on expatriate residents. Emiratis and expatriate residents spend around AED 1.3 billion in healthcare annually outside the country. The government spends around AED 320 million on Emiratis' healthcare outside the UAE. The number of physician visits is 0.4 for residents in Dubai compared to the 3.5 international average. There are more than 40 insurance companies and more than 50 insurance intermediaries in Dubai. Health insurance services are offered by all Dubai hospitals (22 hospitals) and more than 90% of the clinics and pharmacies in Dubai (around 1200 of clinics and pharmacies). Dubai Health Authority has started developing certain enablers that might facilitate the implementation of the Health Insurance Policy, for example: <ul style="list-style-type: none"> Developing the appropriate regulations; Appointing the required administrative staff; and Developing healthcare facilities and systems that are compatible with the private sector.

Policy Benchmark Findings
<p>Health Insurance Systems of the United States of America, Germany, Switzerland, Netherlands, Australia, the United Kingdom, Ireland, Singapore, Saudi Arabia, Qatar and Abu Dhabi have been reviewed. Below is a summary of the key lessons learned:</p> <ul style="list-style-type: none"> • Every country/city customises its own health insurance system to address its issues and its priorities; • Even when two systems are similar, there could be huge gaps in implementation success; a poorly implemented good system will likely produce poor results; • Having standardised data and continuous monitoring, measurement and improvement is paramount to the success of any system; • Significant details and data are needed for a successful payment model; and • A good balance can be achieved between benefits design and financial efficiency and sustainability.

Analysis of Policy Potential Futures
<p>It is projected that:</p> <ul style="list-style-type: none"> • Outpatient capacity would grow by 40% by 2015 upon implementing the Policy compared to 25% under the status quo; • The total number of hospital beds would increase by 32% by 2015 upon implementing the Policy compared to 18% under the status quo; • The number of doctors would increase by 48% by 2015 upon implementing the Policy compared to 45% under the status quo; • There will be an increase in funding of around AED 2-3 billion to the health sector upon implementing the Policy; and • There will be government saving of around AED 1.35 billion upon implementing the Policy.

3. Establishing Dubai Health Insurance Policy Theory of Change

The third phase in developing Dubai Health Insurance Policy aims at establishing the Policy Theory of Change through defining the Policy's objectives, impacts, outcomes, outputs, key performance indicators and targets as provided in some illustrative examples in the table below.

Dubai Health Insurance Policy Theory of Change Components – Illustrative and Non-Exhaustive

Examples of Policy Objectives	Examples of Policy Impacts	Examples of Policy Outcomes	Examples of Policy Outputs	Examples of Policy Indicators	Examples of Policy Targets
<ul style="list-style-type: none"> - Ensure that all employees enjoy a minimum level of health coverage to protect them in a cases of illness. - Enhance Dubai's competitiveness both locally and globally in quest to be the #1 healthcare system in the world. 	<ul style="list-style-type: none"> - Reduced health risks - Increased labour productivity 	<ul style="list-style-type: none"> - Financial sustainability of the healthcare system - Reduced government spending - Increased access to healthcare services - Enhanced quality of service delivery 	<ul style="list-style-type: none"> - Health insurance coverage for all Dubai residents for emergency and curative healthcare needs 	<ul style="list-style-type: none"> - % of population covered 	<ul style="list-style-type: none"> - % of population covered = 50% in year 2 and 75% in year 3 up from a 30% in year 0

4. Identifying and Appraising Dubai Health Insurance Policy Options

The fourth phase in developing Dubai Health Insurance Policy aims at identifying and appraising a range of potential Policy options according to a set of criteria, including costs and benefits.

The Policy considered options for the two main target groups across various sectors: 1) Emiratis in Dubai, and 2) Expatriate residents in Dubai.

Dubai Health Insurance Policy Options for Emiratis in Dubai

Beneficiary Category	Status Quo	Proposed Option	Benefits/ Beneficiaries	Additional Costs on the Government of Dubai
- Emiratis of Dubai, working in the government sector and their dependents	- Most have health insurance through government programs (e.g. Enaya)	- No change under the new Policy	≈ 72,000	- No additional costs incurred by the government
- Emiratis of Dubai who are currently not covered by any health insurance	- Have access to the Dubai Health Authority services only	- Additional comprehensive package of services (including dental coverage), to be further developed as the Policy evolves	≈ 90,000	- Additional cost incurred by the private sector is estimated to be ≈ AED 52 million in addition to costs currently incurred by Dubai Health Authority
- Emiratis of Dubai who are working in the private sector	- Have access to Dubai Health Authority's services only - A small percentage have health insurance	- Private sector employees to be covered under previous Dubai Health Authority package in order to encourage the private sector to recruit Emiratis - There is also the possibility to have more expanded coverage, provided there are no duplicate insurance schemes	≈ 55,000	- Additional cost incurred by the private sector is estimated to be ≈ AED 33 million
- Retired Emiratis from the Government of Dubai	- Have access to Dubai Health Authority services only - Do not have health insurance after retirement	- This category is proposed to retain the health insurance scheme they had during their employment	≈ 500	- ≈ AED 1 million
- Emiratis from other Emirates	- Holders of Dubai Health Authority insurance have access to health services provided at the Dubai Health Authority's facilities, in addition to those transferred to the Ministry of Health and emergencies	- Holders of Dubai Health Authority insurance have access to health services provided at the Dubai Health Authority's facilities, subject to certain amendments	≈ 57,000 beneficiaries in 2011 received ≈ 303,000 services	- The current numbers are covered by the budget (of ≈ AED 300 million) according to Dubai Health Authority's prices - This is subject to an increase if the numbers increase

5. Designing Dubai Health Insurance Policy Solutions and Planning Implementation

The fifth phase in developing Dubai Health Insurance Policy aims at planning the implementation of the selected Policy option(s). This includes developing the Policy implementation, risk management and communication plans.

The Dubai Health Insurance Policy was legislated through the development of Dubai Health Insurance Law No.11 of 2013. The implementation plan lists the Policy's key activities, activities' owners and main stakeholders, timeline as well as resource requirements and key dependencies, as shown in the table below.

Dubai Health Insurance Policy Implementation Plan - (Part 1)

#	Activity	Activity Owner	Stakeholders	Planned Start Date	Planned End Date	Duration	Required Resources	Dependencies
1	Approve the proposed Policy interventions for Emiratis	The Executive Council of Dubai	Dubai Health Authority, Emiratis in Dubai, Employers, Insurance Companies, Claim Administration Companies, Health Service Providers	Beginning Q2, 2013	End Q2, 2013	3 months		Appropriate stakeholder engagement with all affected parties
2	Adopt the mandatory Health Insurance Law in Dubai	Supreme Legislation Committee	Dubai Health Authority, Emiratis and Expatriate Residents in Dubai, Employers, Insurance Companies, Claim Administration Companies, Health Service Providers	Beginning Q2, 2013	End Q2, 2013	3 months		Approval of the Dubai Health Insurance Policy by The Executive Council of Dubai and by the Health and Safety Sector Committee

Q stands for Quarter

Dubai Health Insurance Policy Options for Expatriate Residents in Dubai

Beneficiary Category	Status Quo	Proposed Option	Benefits/ Beneficiaries	Costs
- Expatriate Residents in Dubai of High and Medium Income	- Not covered by any mandatory health insurance	- The employer has the responsibility to put in place and pay for the costs of private health insurance plans from insurance companies that are holding the Dubai Health Insurance Permit - Insurance coverage should not be less than the Essential Benefits Plan specified by Dubai Health Authority and may be expanded to cover enhanced products as well as dependents - Dubai Health Authority provides Dubai Health Insurance Permit according to specified technical criteria.	- No additional costs incurred by the government - Positive returns to the government and potential annual revenue to government facilities of ≈ AED 1 billion per year after year 5 - Increased investment in healthcare - Increased number of people insured from ≈ 500,00 to ≈ 2 million over 3 years - Increased number of healthcare users in Dubai - Enhanced quality of health services and increased health tourism - Provision of health insurance for low income workers, which is in line with international treaties on the rights of workers - Highly dynamic system that is responsive to the Emirate's fast growing demographic and economic evolution	- The private sector will incur costs of ≈ AED 1.2-1.95 million to cover uncovered population - Cost of Essential Benefits Plan (EBP) on employers is less than 1.55% of monthly salaries
- Expatriate Residents of Low Income	- Not covered by any mandatory health insurance	- Essential benefits are provided at affordable costs to employers through competition among insurance companies according to certain standards imposed by the Dubai Health Authority - This may be opened to all insurance companies following the implementation of the Policy, provided that it will be initiated with a limited number of companies in the first 1-3 years of Policy implementation	- Provision of health insurance for low income workers, which is in line with international treaties on the rights of workers - Highly dynamic system that is responsive to the Emirate's fast growing demographic and economic evolution	- Cost of Essential Benefits Plan (EBP) on employers is less than 1.55% of monthly salaries

Dubai Health Insurance Policy Implementation Plan - (Part 3)

#	Activity	Activity Owner	Stakeholders	Planned Start Date	Planned End Date	Duration	Required Resources	Dependencies
8	Prepare Dubai Health Authority facilities and systems to implement the Policy	Dubai Health Authority	Emirates and Expatriate Residents in Dubai	Beginning Q1, 2013	End Q4, 2015	3 years	Financial resources + Infrastructure	Defining the specifications of the facilities requirements
9	Issue request for proposals for companies to provide health insurance packages for Emiratis	Dubai Health Authority	Insurance Companies	Beginning Q2, 2013	End Q4, 2013	9 months		Identifying a list of potential insurance companies, qualifying them and classifying them
10	Issue health insurance cards for Emiratis and begin the first phase of insurance coverage	Dubai Health Authority	Emiratis	Beginning Q1, 2014	End Q4, 2014	1 year		Adoption of health insurance cards
11	Implement the Policy for the first group of residents (employers with more than 1,000 employees)	Dubai Health Authority, Employers, Insurance Companies	Employees and Employers with more than 1,000 Employees, Insurance Companies, Claim Administration Companies, Health Service Providers	Beginning Q3, 2013	End of Q1, 2014	9 months		Readiness of employers (in terms of knowledge of the Policy and having the appropriate resources to implement it)

Dubai Health Insurance Policy Implementation Plan - (Part 2)

#	Activity	Activity Owner	Stakeholders	Planned Start Date	Planned End Date	Duration	Required Resources	Dependencies
3	Enhance human resource capabilities at the Dubai Health Authority and the private sector levels	Dubai Health Authority	Employees at Dubai Health Authority, Private Sector Employees	Beginning Q1, 2013	End Q3, 2013	9 months	Human Resources	Defining the health human resources capability requirements and developing the appropriate capability building programs; recruitment for areas where there are significant gaps
4	Ensure linkage among government entities to facilitate the Policy implementation	Dubai Health Authority	Other Government Entities	Beginning Q2, 2013	End Q4, 2013	9 months	ICT systems	Putting in the place the right integrating systems
5	Proceed with the organisation of the health insurance sector in line with Dubai Health Insurance Law	Dubai Health Authority	Insurance Companies, Claims Administration Companies, Health Service Providers	Beginning Q1, 2013	End Q4, 2013	1 year	ICT systems	Approval of Dubai Health Insurance Policy by The Executive Council of Dubai and by the Health and Safety Sector Committee
6	Initiate licensing of insurance companies to work in Dubai	Dubai Health Authority	Insurance Companies	Beginning Q3, 2013	End Q4, 2013	6 months	ICT systems	Developing the licensing requirements
7	Complete the second and the third phases of electronic claims	Dubai Health Authority	Dubai Health Authority	Beginning Q3, 2013	End Q2, 2014	1 year	ICT systems	Putting in place the right electronic systems

Dubai Health Insurance Policy Risk Assessment - (Part 1)

Risk assessment helps identify the Policy's key risks, their probability or likelihood of occurrence and the risk consequences or impacts, leading to the risk estimation which is the: risk likelihood x the risk consequence. The risk assessment also defines certain risk mitigation measures.

#	Risk Description	Risk Likelihood	Risk Consequence/ Impact	Risk Estimation/ Rating	Risk Mitigation Measures
1	Limited human and financial resources necessary to implement the proposed Policy	0.8	8	6.4	<ul style="list-style-type: none"> - Developing a detailed and realistic implementation plan and sharing it with all stakeholders to get the necessary approvals. - Identifying the required human and financial resources and giving sufficient time to search for the needed specialisation. - Providing strong support from the legislating entity.
2	Insufficient experience of public sector in health insurance implementation	0.7	9	6.3	<ul style="list-style-type: none"> - Changing the health financial system gradually over the implementation period from a system reliant on government budget to one that is reliant on the payment for services. - Applying the eClaimLink system and training human resources on it. - Developing incentive schemes for employees and entities committed to implementing and abiding by the new Policy.
3	Resistance of the entities to join the system	0.6	7	4.2	<ul style="list-style-type: none"> - Reducing the cost of the Essential Benefits Plan. - Providing comprehensive information to all stakeholders. - Announcing the new Policy sufficiently ahead of its implementation to enable employers to plan for the expected increase in their expenditures. - Starting with the biggest employers that might be less impacted by increased expenditures due to economies of scale.
4	Slow execution of the new Policy	0.5	6	3	<ul style="list-style-type: none"> - Developing a detailed and realistic implementation plan including roles and responsibilities and sharing it with all stakeholders. - Ensuring the availability of required financial resources. - Setting up and operating the right electronic systems before implementing the new Policy. - Providing strong support from the legislating entity.

Dubai Health Insurance Policy Implementation Plan - (Part 4)

#	Activity	Activity Owner	Stakeholders	Planned Start Date	Planned End Date	Duration	Required Resources	Dependencies
12	Implement the Policy for the second group of residents (employers between 100 and 1000 employees)	Dubai Health Authority, Employers, Insurance Companies	Employees and Employers with 100-1000 Employees, Insurance Companies, Claim Administration Companies, Health Service Providers	Beginning Q1, 2014	End Q4, 2014	1 year		Readiness of employers (in terms of knowledge of the Policy and having the appropriate resources to implement it)
13	Implement the Policy for the third group of residents (all other employees)	Dubai Health Authority, Employers, Insurance Companies	Employees and Employers, Insurance Companies, Claim Administration Companies, Health Service Providers	Beginning Q1, 2015	End Q4, 2015	1 year		Readiness of employers (in terms of knowledge of the Policy and having the appropriate resources to implement it)

Dubai Health Insurance Policy Risk Assessment - (Part 2)

#	Risk Description	Risk Likelihood	Risk Consequence/ Impact	Risk Estimation/ Rating	Risk Mitigation Measures
5	Provision of low quality health services, especially for the beneficiaries of the Essential Benefits Plan	0.3	5	1.5	<ul style="list-style-type: none"> - Providing detailed and effective controls. - Obliging health services providers to publish quality indicators.
6	Lack of clarity between the different Emiratis' programs and comparing between them and Enaya or Abu Dhabi programs	0.4	7	2.8	<ul style="list-style-type: none"> - Developing a communication plan that includes the health insurance details. - Clarifying that the packages include preventive and treatment services for Emiratis with the only variation being the health service providers.
7	Failure to preserve the rights of beneficiaries (e.g. preventing them from getting the appropriate coverage)	0.3	7	2.1	<ul style="list-style-type: none"> - Installing the appropriate monitoring systems in place and guaranteeing the support of decision makers. - Collaborating with the various government entities. - Ensuring transparency in execution (e.g. standards, benefits, etc.).
8	Increased financial burden on the government	0.2	9	1.8	<ul style="list-style-type: none"> - Managing and implementing the new Policy according to plan and in line with best practices. - Ensuring that the entities responsible for the provision of public health services have the capacity to prepare the claims and get the insurance companies' services. - Imposing strict penalties to avoid system misuse and/or abuse.
9	Negative effects on the behavior of certain private sector health providers (e.g. abusing the system to provide undue services)	0.4	4	1.6	<ul style="list-style-type: none"> - Providing incentives to compliant providers to encourage their positive behavior. - Implementing an electronic claims system for effective control. - Installing the appropriate monitoring systems in place. - Imposing strict penalties to avoid system misuse and/or abuse.
10	Insurance companies' discrimination against individuals that are highly vulnerable to health issues	0.3	5	1.5	<ul style="list-style-type: none"> - Including legal clauses that prohibit any preferential treatment according to health issues. - Implementing a system like the eClaimLink that ensures confidentiality of information. - Installing the appropriate monitoring system in place.

Dubai Health Insurance Policy Risk Assessment - (Part 3)

#	Risk Description	Risk Likelihood	Risk Consequence/ Impact	Risk Estimation/ Rating	Risk Mitigation Measures
11	Increased healthcare cost which might adversely impact Dubai's economy	0.5	6	3	<ul style="list-style-type: none"> - Controlling the health services included in the Essential Benefits Plan. - Installing the appropriate monitoring systems in place to detect unjustified over spending or financial inefficiencies. - Adopting a new number of insurance companies to provide the essential benefits, which enables these companies to cover a larger number of beneficiaries and benefit from economies of scale to reduce their prices. - Selecting insurance companies based on a tender process that enables getting the best.
12	Increased demand for healthcare services and limited capacities of the existing resources to meet them	0.5	7	3.5	<ul style="list-style-type: none"> - Ensuring effective communication with health service providers and providing them with sufficient time to plan for increasing demands. - Phasing out the implementation, starting with the groups that have high coverage. - Controlling the absorptive capacity in the provision of health services through putting in place the right systems and administration.

Dubai Health Insurance Policy Communication Plan

The Communication Plan below gives structure to determine which stakeholders need to be targeted, the communication objectives, messages, techniques, timing and ownership.

Key Stakeholders	Stakeholder Interest/ Influence	Communication Objectives	Content/ Key Messages	Communication Techniques/ Channels	Timing	Owner
Dubai Health Authority Employees	High	Participation in the transformation and implementation of the policy	Future outlook, improving the quality of health care and system efficiency	Media internal event and sessions and intranet	Throughout the Policy Cycle Phases	Health Funding Department, Hospitals and Primary Healthcare
Dubai Department of Finance	High	Provision of approvals and support	System efficiency and budgetary requirements	Direct meetings	Options Appraisal Phase	Dubai Health Authority, Health Funding Department
General Directorate of Residency and Foreigners Affairs	High	Provision of support in compliance	Law enforcement tools	Direct meetings	Options Appraisal Phase	Dubai Health Authority, Health Funding Department
Department of Economic Development	High	Provision of support in inputs and compliance	Law enforcement tools	Direct meetings	Options Appraisal Phase	Dubai Health Authority, Health Funding Department
Ministry of Human Resources and Emiratization	High	Provision of inputs	Planning and tracking implementation	Direct meetings	Options Appraisal Phase, Policy Implementation Phase	Dubai Health Authority, Health Funding Department
Dubai Government Human Resources Department	High	Provision of inputs and coordination	Coordination on government employer programs	Direct meetings	Options Appraisal Phase	Dubai Health Authority, Health Funding Department
Employers	High	Provision of insurance to employees	Compliance and enforcement rules	Health Insurance launch events as part of the Knowledge Series	Policy Implementation Phase	Health Funding Department and licensing authorities
Employees	High	Receiving insurance and accessing care in an optimal way	Awareness access, understanding of rights and responsibilities	Mass media and social communication channels	Policy Implementation Phase	Dubai Health Authority, Health Funding Department
Dependents	Low	Receiving insurance and accessing care in an optimal way	Awareness access, understanding of rights and responsibilities	Mass media and social communication channels	Policy Implementation Phase	Dubai Health Authority, Health Funding Department

6. Dubai Health Insurance Policy Monitoring, Evaluation and Review

The sixth phase in developing Dubai Health Insurance Policy aims at monitoring the Policy's actual versus planned performance and evaluating its results in terms of impacts, outcomes and outputs.

Monitoring involves the periodic tracking of the Policy progress to compare planned and actual Policy implementation. The Dubai Health Insurance Policy Monitoring Planning Template below illustrates the key performance indicators to be tracked, their data sources, the data collection methods and frequencies, collection, analysis and reporting responsibilities.

Dubai Health Insurance Monitoring Planning Template

Policy Title	Dubai Health Insurance Policy
Entity	Dubai Health Authority (DHA)
Policy Sponsor	The Secretary General of the Executive Council
Policy Manager	Dubai Health Authority

Monitoring Indicator	Data Source	Data Collection Methods	Data Collection Responsibility	Data Collection Frequency	Data Analysis Responsibility	Data Reporting Responsibility	Reporting/ Feedback Form
Number of insured Emiratis in Dubai	Dubai Health Authority	eClaimLink	Health Funding Department	Real time	Health Funding Department	Health Funding Department	Dashboards that are automatically uploaded
Number of insured expatriate residents in Dubai	eCalimLink	Electronic linkage with insurance companies	Health Funding Department	Real time	Health Funding Department	Health Funding Department	Dashboards that are automatically uploaded
% of spending going through eClaimLink	Dubai Health Authority	eClaimLink	Health Funding Department	Real time	Health Funding Department	Health Funding Department	Dashboards that are automatically uploaded
% of insured members' complaints that were resolved	Dubai Health Authority	eClaimLink	Health Funding Department	Real time	Health Funding Department	Health Funding Department	Dashboards that are automatically uploaded

Dubai Health Insurance Policy Evaluation Template - (Part 1)

The Evaluation Template involves an assessment of the Policy results, including the Policy delivery, impact and value-for-money. The following Health Insurance Policy Evaluation depicts the evaluation objectives, and proposed evaluation approaches.

Policy Background and Objective

The Government of Dubai's healthcare is facing a number of challenges, including increased financial burden on the government budget, inability to meet residents' healthcare requirements, low quality of healthcare services and deterioration of health indicators.

As such, the Dubai Health Insurance Policy was developed to provide health insurance coverage for Emiratis and expatriate residents in Dubai. It aimed at creating an integrated health system for Dubai, based on a sustainable financing system that supports Dubai's competitiveness and protecting the rights of all participants. It phased in the requirement for all employers in Dubai to have in place, compliant health insurance coverage for their employees. It is applied to all participants in the health insurance arena including health service providers, insurance companies, claim administration companies, employers, sponsors and beneficiaries.

Existing Evidence Base for the Policy

The Policy utilised the following sources of evidence:

Quantitative/Statistical evidence, including:

- Dubai Statistics Center's demographic and labour market statistics;
- Dubai Health Authority's statistics on beneficiaries, expenditures, service and insurance providers, numbers and costs of inpatient and outpatient claims and numbers of doctors and hospital beds;
- Department of Finance's health budget and spending; and
- World Health Organization's international statistics and rankings.

Qualitative evidence, including:

- Perception of potential beneficiaries;
- Perception of the relevant insurance and claim administration companies and health service providers; and
- Perception of employers.

Economic evidence, including:

- Economic analysis of additional costs incurred by employers upon implementing the Policy; and
- Economic analysis of budget savings and returns from implementing the Policy.

Dubai Health Insurance Policy Evaluation Template - (Part 2)

Evaluation Objectives and Research Questions

Evaluation of Dubai Health Insurance Policy has three main objectives:

1. Policy Process Evaluation to assess the extent to which:
 - Employers are providing the required insurance coverage in line with the Policy design; and
 - Employees are receiving the required insurance coverage in line with the Policy design.
2. Policy Impact Evaluation to assess the extent to which the Policy:
 - Enhanced the quality of healthcare services;
 - Increased access to healthcare services;
 - Increased health security; and
 - Increased investment in the health sector.
3. Policy Economic Evaluation to assess the extent to which the Policy caused:
 - Financial sustainability of the healthcare system (i.e. decline in the premium of the Essential Benefits Plan due to the financial sustainability of the insurance system);
 - Decline in government health spending;
 - Increase in government revenues from insurance; and
 - Nature and composition of increased health investments and the economic implications of these investments.

Policy Proposed Evaluation Approach

- The Policy Process Evaluation will rely on the monitoring reports generated by the eClaimLink system.
- The Policy Impact Evaluation will rely on experimentation through the phased introduction and roll-out of the Policy and through conducting Randomised Controlled Trials and Quasi-Experimental Designs to assess the clinical outcomes of the Policy (e.g. impact on Diabetes) in addition to screening.
- The Policy Economic Evaluation will rely on tracking government expenditures through the Health Accounts System of Dubai (HASD).

Policy Evaluation Data Requirements

- Monitoring reports generated by the eClaimLink System
- Sampling, experimentation and piloting conducted through Randomised Controlled Trials or Quasi-Experimental Designs
- Government expenditures through the Health Accounts System of Dubai

Policy Evaluation Required Resources

The Dubai Health Authority evaluates the need for reliance on external evaluations (especially in cases where there is a need to conduct experimentations for impact evaluations). However, for both process and economic evaluations, there is heavy reliance on existing systems at the Dubai Health Authority level, namely: the ClaimLink and Health Accounts System of Dubai (HASD).

Policy Evaluation Governance

Evaluation of the Dubai Health Insurance Policy will rely on evaluators across the Dubai Health Authority Departments (and in particular within the Health Funding Department). The Dubai Health Authority will recruit external evaluators on a needs-basis, especially to conduct experimentation and piloting.

Policy Evaluation Dissemination

Evaluation findings will be disseminated to the concerned departments within the Dubai Health Authority.

Evaluation findings will be disseminated, when and where needed to government entities such as:

- The Executive Council of Dubai
- The Supreme Legislation Committee
- Dubai Department of Finance
- General Directorate of Residency and Foreigners Affairs
- Department of Economic Development
- Ministry of Human Resources & Emiratisation (previously Ministry of Labour)

Evaluation findings will also be disseminated to:

- Employers
- Insurance companies
- Claims management companies
- Health service providers

7. Dubai Health Insurance Policy Stakeholder Engagement

This final phase in developing Dubai Health Insurance Policy aims at building and maintaining strong relationships with the Policy stakeholders and engaging them throughout the Policy cycle. The main output of this phase is the Stakeholder Engagement Plan.

Dubai Health Insurance Policy Stakeholder Engagement Plan - (Part 1)

Goals and Objectives

The key objectives of stakeholder engagement are to:

- Collect evidence data from the concerned government entities to develop the Policy baseline and possible futures;
- Integrate stakeholder input into the design of the Policy options and address any potential implementation challenges;
- Raise awareness on the new Policy especially on understanding the rights and responsibilities of concerned parties (especially Dubai Health Authority, beneficiaries, employers, insurance companies, claim administration companies and health service providers);
- Secure buy-in from concerned parties to facilitate Policy implementation; and
- Provide input for conducting Policy monitoring and evaluation.

Scope

Stakeholder engagement aims to address the following questions:

- What are the key measures that may be undertaken to enhance the quality of healthcare and system efficiency in Dubai?
- What are the readiness levels of Dubai Health Authority for Policy implementation? To what extent do its existing facilities, operations, processes and systems need to be altered? To what extent do its existing human resources need to be trained?
- What are the readiness levels for various employers (of various sizes) for Policy implementation? To what extent can employers bear the costs of health insurance coverage? What are the main challenges that employers will face when rolling out the new Policy?
- What are the readiness levels of insurance companies for Policy implementation? (For example, do they have the capacity to maintain financial and statistical registers and reports related to health insurance and health benefits?)
- What are the readiness levels of claim administration companies for Policy implementation? (For example, do they have the qualified technical and administrative personnel that enable the appropriate settlement of complaints?)
- What are the readiness levels of health service providers for Policy implementation? (For example, do they have the absorptive capacities and internal capabilities to accommodate increasing demand for healthcare?)
- What are the main concerns of beneficiaries (both Emiratis and expatriate residents)?

Key Stakeholders
<p>The key government stake holders to be included are:</p> <ul style="list-style-type: none"> • Various departments of the Dubai Health Authority • Dubai Department of Finance • General Directorate of Residency and Foreigners Affairs • Department of Economic Development • Ministry of Human Resources and Emiratization • Dubai Government Human Resources Department <p>The other stakeholders are:</p> <ul style="list-style-type: none"> • Emiratis living in Dubai as beneficiaries • Expatriate residents living in Dubai as beneficiaries • Employers • Insurance companies • Claim administration companies • Health service providers

Communication Plan
<p>Please refer to Section 5. “Designing Dubai Health Insurance Policy Solutions and Planning Implementation” Communication Plan; this will be prepared as a separate document and attached to the Stakeholder Engagement Plan.</p>

Timing of Engagement
<p>Stakeholder engagement will occur with various degrees throughout the Policy cycle phases, with most resources and efforts being dedicated towards the Policy options appraisal, implementation and monitoring and evaluation phases.</p>

Levels of Engagement
<p>The key government stakeholders to be included are:</p> <ul style="list-style-type: none"> • Various departments of the Dubai Health Authority: Collaborate and empower • Dubai Department of Finance: Involve • General Directorate of Residency and Foreigners Affairs: Involve • Department of Economic Development: Involve • Ministry of Human Resources and Emiratization: Involve • Dubai Government Human Resources Department: Involve <p>The other stakeholders are:</p> <ul style="list-style-type: none"> • Emiratis living in Dubai as beneficiaries: Inform • Expatriate residents living in Dubai as beneficiaries: Inform • Employers: Consult • Insurance companies: Consult • Claim administration companies: Inform • Health service providers: Consult

Methods of Engagement
<p>Please refer to Section 5. “Designing Dubai Health Insurance Policy Solutions and Planning Implementation” Communication Plan, in particular to the communication techniques and channels.</p>

Risks and Issues Management
<p>The main risks that stakeholder engagement may face are the following:</p> <ul style="list-style-type: none"> • Limited capacity of employers, insurance companies, claim administration companies, and/or health service providers to implement the Policy; and • Inability to obtain agreement/consensus, especially from employers.