

2023/24 ANNUAL PLAN

Board Approved 23 February 2023

INTRODUCTION

We are Transparency International UK.

We are part of the global Transparency International movement, which defines corruption as the abuse of entrusted power for private gain.

Our vision is a world in which government, business, civil society, and the daily lives of people are free from corruption. Our mission is to stop corruption, promote integrity and, to that end, hold power to account for the common good.

Since 1995, Transparency International UK has played a leading role in tackling corruption in the UK, Britain's role in corruption overseas, and corruption in global sectors critical to international security, health and development.

We achieve this through impartial research, the design of new standards and solutions and the education of decision makers. We drive change through constructive advocacy, collaborations with investigative journalists, and by providing support and expertise to others aligned to our cause.

This Annual Plan is the third under our 2021-2030 Strategy, 'Stopping Corruption – Promoting Integrity'.

This year, we will deepen our programme of work across the public sector, political sphere and private sectors of the UK. In parallel, we will continue to lead influential global programming for the wider Transparency International movement focused on corruption prevention in Global Health, and Defence & Security. Our work will pursue success under the three strategic goals set out below and will focus on a series of programme objectives described in the sections that follow.

Vision

We envision a world in which government, business, civil society, and the daily lives of people are free from corruption

Mission

Our mission is to stop corruption, promote integrity and, to that end, hold power to account for the common good

Strategic Goals

We Advance Policy:

Use research, evidence & advocacy to drive the use and improvement of law, regulations, systems and policy to deter and pursue corruption.

We Improve Practice:

Drive the public and private sectors to change behaviours, attitudes and stop corruption.

We Promote Change:

Share knowledge, create pressure and reduce opposition, mobilise and support allies to tackle corruption.

2022-23 CONTEXT

This decade began with a pandemic, followed by an insurrection at the US Capitol, and a major war in Europe. All posed serious challenges to our daily lives. Each has also caused democracies to re-assert themselves, to root out corruption and confront our own enablers of autocratic kleptocrats.

Following the two Summits for Democracy, and the International Anti-Corruption Conference, expectations are raised for US anti-corruption leadership as they host the conference of state parties to the UN Convention Against Corruption. Britain however, must seek to arrest decline after its worst score in the global Corruption Perceptions Index, being among the fastest fallers around the world.

Standards of integrity in public life were repeatedly in question in a year in which one British Prime Minister lost both his Anti-Corruption Champion and his independent ethics advisor. MPs were suspended for breaching their code of conduct, and a Baroness took leave of absence from Parliament amidst acrimony about her personal interests in a firm she helped secure lucrative public contracts during the COVID pandemic, but our own tally on ministerial breaches that have failed to be investigated has reached as many as forty. The current Prime Minister took office promising ‘integrity, professionalism and accountability at all levels’ of his government – an aspiration which is already proving challenging to live up to.

The economic response to the war in Ukraine has however led to concerted attention towards Britain’s £100billion or more dirty money problem, a long list of Russia sanctions and two new pieces of economic crime legislation. The new Register of Overseas Entities has already begun to serve its purpose, revealing more suspicious wealth that has been stashed in UK real estate. Across the European Union public registers have been going ‘dark’ following a ruling by their top court, so a broader case needs to be made for the wider social benefit of this transparency and its use to journalists and civil society in particular. Attention must now turn to making these measures work: closing loopholes, chasing-down non-compliance, effective supervision of professionals and resourcing law enforcement. With a UK General Election on the horizon, we will be asking for sustained commitment from politicians of all political stripes.

UK companies are also feeling the impact of unprecedented sanctions and the need to build capacity to ensure compliance in an evolving regulatory landscape. Following last year’s landmark prosecution of a multinational company under s.1 of the UK Bribery Act, the anticipated “failure to prevent” offences are further steps towards strengthened enforcement and accountability,

provided law enforcement is adequately resourced. In parallel, the focus on companies’ environment, social and governance (ESG) credentials continues apace and there is growing awareness by companies and investors alike on the importance of managing bribery and corruption risk as part of a holistic ESG strategy.

Globally, as focus shifts away from COVID-19 response there is increasing focus on international health security and system resilience to ensure pandemic preparedness for future outbreaks. The pandemic further exposed corruption risks and vulnerabilities in different health systems, with many learnings to be taken so that mistakes are not repeated, particularly on the procurement and distribution of vaccines.

The World Health Organization will continue negotiations on the Global Pandemic Accord this year which makes calls for transparency measures in data sharing, contracting, and pricing in emergencies. However, more specificity on how the Accord will be rolled out and monitored is needed, ensuring it is done in a transparent and accountable manner to minimise corruption vulnerabilities in future pandemic responses. The World Bank’s Pandemic Fund, launched at the end of 2022, provides similar opportunities to work with both the Bank and donors to embed greater transparency mechanisms in the fund’s grant making processes and accountability to ensure funds are used for their intended purposes.

We are also nearing the halfway point to meet the Sustainable Development Goals deadline. Achieving the target on universal health coverage is behind schedule and necessitates a core focus on embedding of anti-corruption measures and approaches into health sector policies and reform efforts. This should equip a critical mass of stakeholders such as civil society and media with the knowledge and tools to address corruption risks in their own contexts.

The past year has also seen increasing recognition of the relationship between corruption and insecurity, with the Russian invasion of Ukraine in February 2022 exemplifying how corrupt authoritarian regimes threaten international peace, security and economic stability. Global powers, international organisations and civil society are now increasingly making the case for tackling corruption in the interests of national and global security. However, the trend of increased defence spending and arms transfers in response to the Russia-Ukraine conflict opens up new areas of corruption risk and places issues of transparency and civilian oversight of military expenditure and decision-making firmly on the agenda. Meanwhile, there is ongoing uncertainty in security in the Sahel region with the continuing trend of coups in West Africa (the latest being Burkina Faso), the withdrawal of international forces from Mali, and the steady growth of the role of private actors on the scene. This year is a significant one in terms of UN-level policy in the area of peace and security, with the Agenda for Peace and the mid-way review of progress on the Sustainable Development Goals, as well as negotiations related to private military security companies. Global relations with China remain a topic of great speculation, and it remains unknown what lessons China will take from the war in Ukraine in relation to the South China Sea and Taiwan. Regardless, military operations, arms exports and security sector assistance look set to increase, well documented by our Government Defence Integrity Index (GDI), highlighting lack of transparency, weak oversight and high corruption risks in these areas.

PROGRAMME GOALS AND PRIORITY WORK-STREAMS

Our overall strategy and annual plan are guided by the ten-year objectives of the global Transparency International movement. The first four of our annual programme objectives, below, have been selected from those movement-wide priorities. The fifth objective is specific to our UK chapter and represents development work in preparation for the next phase of our strategy:

1. Stop the Flow of Dirty Money
2. Protect the Public's Resources
3. Secure Integrity in Politics
4. Drive Integrity in Business
5. Incubate Projects & Partnerships to Address Unmet Needs in Tackling Corruption

To make progress against these objectives, our UK programmes will continue to address both corruption in the UK and the UK's contribution to corruption around the world. Priorities for 2023/24 include:

- Focussing efforts on remaining gaps in Britain's Dirty Money defences whilst ensuring the effectiveness of new measures triggered by the conflict in Ukraine: Improving supervision of anti-money laundering defences, corporate transparency in British Overseas Territories and Crown Dependencies, and effective implementation of existing transparency measures such as the UK's new register of overseas entities. This year, the development of the UK's Economic Crime Plan and a government consultation on anti money laundering supervision will provide vehicles for influence.
- Responding to the string of integrity failings in Westminster and elsewhere by seeking to strengthen the institutional defences against corruption risks in public life, including greater transparency over lobbying, addressing abuse of the revolving door between public and private sectors, and more meaningful oversight of ethical standards. The development and launch of

the next UK Anti-Corruption Strategy will be a priority. We will also make submissions to the UK COVID public inquiry to aid the learning of important lessons from the practice of public procurement during the pandemic.

- Enhancing practice in corporate anti-corruption programmes, developing guidance for investors seeking to prevent corruption undermining their objectives for wider impact, and understanding the interplay of corruption with Environmental, Social and Governance (ESG) risks, including a focus on Human Rights. We will continue to support companies to provide meaningful and accurate anti-corruption data and take a proactive approach to business integrity through engagement in our leading forums and improvement tools. We will seek to grow the number of companies engaged in this work through a reviewed and strengthened offer to business.

Under our fifth objective, we will scope work in the following areas, domestically and internationally:

- Building TI-UK's presence and activity in the devolved nations, with a particular focus on Scotland this year. We will also be scoping opportunities to expand our open access tool to devolved level of government. Providing subject matter expertise in illicit financial flows in support of new bilateral partnerships across Transparency International's worldwide movement to stem the flow of dirty money that is the proceeds of corruption.

Meanwhile, our international programme teams will continue to build upon successful partnerships with dozens of other TI chapters around the world as we strengthen global networks of expertise on corruption in Global Health and Defence and Security. Through these partnerships, we will focus on the following thematic priorities:

In Global Health:

- Consolidating learning from reducing corruption risk in the deployment and distribution of COVID-19 vaccines, and use

these to influence greater transparency and accountability measures to be integrated into the Global Pandemic Accord and related financing mechanisms including the World Bank's Pandemic Fund. We will continue to work closely with national delegations including the UK government to advocate for stronger, tangible measures in the Accord to reduce corruption risk in future outbreaks. Our planned role in Lancet Commission on Anti-Corruption will focus on drawing together evidence and launching events to shine the spotlight on and strengthen Global Health Security with recommendations targeted at both the Accord and the Pandemic Fund.

- Embedding anti-corruption into national health systems, working with global partners on academic research, advocacy and convening events with practitioners. In conjunction with USAID we will host a series of webinars looking at what works in addressing corruption in the health sector across different country contexts. Findings from our research, lessons from our current global health work and the broader TI movement on addressing corruption in the health sector will encourage action through different fora including the World Health Organization's Global Network on Anti-Corruption, Transparency and Accountability (GNACTA).
- Engaging media and civil society to deepen awareness of the impact of corruption in health sector procurement and hold power to account in Europe and elsewhere. Corruption within European health systems is often under-reported due to the complexities of accessing and using data. We will improve access to, understandability and use of health procurement information and develop a suite of tools which will allow civil society to increase awareness of, and report on potential corruption cases.
- Together with chapters in sub-Saharan Africa, we will work to address the drivers of corruption at the point of service delivery in the health and education sectors. We will use findings from corruption risk assessments and work with other TI chapters to design and implement interventions to tackle the systemic drivers of corruption that hamper access to services, such as legislative loopholes, or shortages of medicines.
- Better pinpoint and cost where corruption occurs within health systems, how it affects health outcomes and work with stakeholders to roll out solutions to combat high corruption risk within the health system. We will work with academic partners to develop, and pilot frameworks to better define and identify corruption losses within health systems.
- Identify opportunities to expand geographic reach and explore new frontiers of work such as health financing, sub-standard and falsified medicines, gender and technology. Our machine learning tool that currently collates relevant media articles on Covid vaccines will be expanded to cover a wider range of corruption risk areas across the health sector and will be extended globally.

In Defence and Security:

- Deepening the knowledge base and filling gaps in understanding of the role corruption plays in the diversion of arms to unauthorized users. As defence spending and arms transfers increase globally, better policy tools are needed to mitigate the risk of diversion. Our research will provide relevant UN and state actors with a more comprehensive understanding of the corruption risks that lead to arms diversion, and our advocacy will focus on influencing the Arms Trade Treaty and other key mechanisms to respond to this understanding.
- As the prevalence of private military and security companies continues to build, we will continue to advocate for the regulation of their activities from an anti-corruption perspective. We will mobilise and support the TI Movement to engage on this issue, and we will input directly to the UN intergovernmental working group seeking to establish an international regulatory framework relating to the activities of private military and security companies.
- Creating and using global and regional level opportunities to embed anti-corruption through defence governance into approaches to conflict and security sector reform. We will leverage the knowledge and evidence base we have established through the Government Defence Integrity Index (GDI), research and develop policy recommendations on specificities of defence governance in fragile and conflict-affected states, and develop and deliver a focused advocacy strategy targeted at embedding anti-corruption in a number of regional instruments on security sector reform.
- In partnership with TI Chapters in North and West Africa and the Sahel, we will respond to the continually developing security landscape in the region through supporting the capacity and ability of national actors to push for defence sector anti-corruption reforms. We will also build, support, and enable an active community of practice with a wider range of Transparency International chapters in support of global efforts to increase civil society engagement with and oversight of defence and security sectors.
- We will define the next generation of Transparency International Defence and Security work as it relates to the private sector more broadly, including the development of a strategically aligned approach to delivery of the Defence Companies Index (DCI).

ORGANISATIONAL PRIORITIES

In addition to our Programme Objectives, we have four Organisational Priorities in our ten-year strategy to ensure the resilience and fitness or purpose of our organisation:

1. Strengthen our contribution to the TI Movement.
2. Deliver cost effective, sustainable funding.
3. Provide our people with employment of choice.
4. Scale, innovate and incubate.

During 2023/24, we will prioritise the following:

- Continuing to work with colleagues in the TI-Secretariat in Berlin to strengthen the movement-wide value and leadership of TI-UK's accredited international programmes.
- Sustaining our high level of media exposure and relationships with a focus on strategically important engagement for programmes, building the profile of our global programmes within the movement and externally, and building the profile of TI-UK as a whole.
- Continue to embed a consistent cross-organisational approach to Monitoring, Evaluation and Learning, supporting our people to identify what works in delivering impact, and building TI-UK's knowledge management.
- Continuing to diversify and strengthen our income pipeline, securing at least £4.2m in multi-year fundraised income for programmes – with a focus on Global Health and Defence and Security. Securing or establishing the pipeline for £2.375m private sector income. For future years, conducting a market review of different opportunities and resource allocation required to generate more unrestricted income.
- Continuing to promote and develop a high trust culture where new strategic opportunities and adaptability are key to delivering a collaborative, engaging and learning culture with a focus on knowledge sharing throughout the employment journey. All colleagues will have access to the tools to Speak Up and our approach to diversity and inclusion challenges our programmatic and organisational assumptions, particularly on gender and ethnicity.

FINANCIAL OVERVIEW

Total income for the year is forecast to be £3.058 million, whilst our UK programme resources have increased, funding for GTN programmes is forecast to reduce. Of this, £640k is anticipated to be unrestricted in nature, with the remainder received under restricted programme funding agreements. The level of secured funding in place as we enter the financial year is 80 per cent and higher than the previous year (66 per cent) with negotiations for the remaining funds well progressed. Planned programme expenditure is broadly aligned with prior years and with our international programmes supporting the wider policy and practice work of the movement. 15 per cent of funding is allocated to grants to other Chapters and Partners.

RISK MANAGEMENT

TI-UK's top risks are reviewed alongside the process of creating the annual budget. It should be noted that there may be a risk in an individual programme that is significant for the entire organisation, an aggregation of similar risks from within the programmes that, when grouped together, represent a high organisational risk, or an organisational level risk that does not feature in any specific programme's section of the risk register. The Senior Leadership team regularly reviews the risk register, identifying appropriate mitigation steps and associated timelines. The top organisational risks at present are:

- Cyber security (in light of conflict in Ukraine/Russian Dirty Money)
- Demonstrating impact of our work to external stakeholders
- Donor compliance
- Employee turnover/well-being/blended working/economic situation
- Finance (particularly funding shared services from restricted grant recoveries & unrestricted)
- Funding
- Legal litigation
- Programme funding cycles
- Safeguarding (ensuring uniform approach)
- Security (particularly for international programmes)
- Strategy delivery ambition
- Strategic focus (current GTN delivery versus protracted movement governance reforms)