

Save the Children International

Renewal Audit – Summary Report 2022/08/04

1. General information

1.1 Organisation

Type	Mandates	Verified	
<input checked="" type="checkbox"/> International <input type="checkbox"/> National <input type="checkbox"/> Membership/Network <input type="checkbox"/> Direct Assistance <input type="checkbox"/> Federated <input checked="" type="checkbox"/> With partners	<input checked="" type="checkbox"/> Humanitarian <input checked="" type="checkbox"/> Development <input checked="" type="checkbox"/> Advocacy	<input checked="" type="checkbox"/> Humanitarian <input type="checkbox"/> Development <input type="checkbox"/> Advocacy	
Head office location	London / Remote		
Total number of country programmes	40 (This does not include regional offices)	Total number of staff	Head Office 577 Country/Regional Offices 16,864
Total number of country programmes		Total number of staff	

1.2 Audit team

Lead auditor	Belinda Lucas
Second auditor	Simon Lawry-White
Third auditor	Jorge Menendez (onsite)
Observer	N/A
Expert	N/A
Witness / other	N/A

1.3 Scope of the audit

CHS Verification Scheme	Independent Verification
Audit cycle	Second
Phase of the audit	Renewal audit
Extraordinary or other type of audit	N/A

1.4 Sampling

Randomly sampled country programme/project sites	Included in final sample	Replaced by	Rationale for sampling and selection of sites	Onsite or remote
Burkina Faso	Yes			Remote
Turkey	No	Lebanon	SCI advised that Lebanon had complex programming that would better represent its humanitarian work.	Remote

El Salvador	No	Peru	El Salvador is a small programme and scaling down. Peru was considered a good alternative from the same region given programmes size and implementation model.	Field Visit
Occupied Palestinian Territories (OPT)	Yes			Remote
Myanmar	No	Bangladesh	The Myanmar Country Office was overstretched due to the political context at time of the audit. Although Bangladesh was included in the MTA, it is a country office that has participated in several key SCI initiatives and pilots while also managing significant humanitarian programmes.	Remote
Tanzania	Yes			Field Visit
Niger	No	Nigeria	The team in Niger was overstretched, dealing with several key gaps in the team at time of the audit and responding to other urgent needs. Nigeria is a significant sized programmes and provided ample opportunity to test the CHS.	Remote
Any other sampling performed for this audit:				
No				
Sampling risk: Low. The selection of country audits provides a representative selection across regions, programme scale and variety of programme types.				

**It is important to note that the audit findings are based on a sample of an organisation's country programmes, its documentation and observation. Findings are analysed to determine an organisation's systematic approach and application of all aspects of the CHS across different contexts and ways of working.*

2. Activities undertaken by the audit team

2.1 Locations Assessed

Locations	Dates	Onsite or remote
Tanzania	21 – 25 February	Onsite
Peru	7 – 11 March	Onsite
Burkina Faso	4-8 April	Remote
OpTs	4-8 April	Remote
Lebanon	4-8 April	Remote
Niger	4-8 April	Remote
Bangladesh	4-8 April	Remote

2.2 Interviews

Position / level of interviewees	Number of interviewees		Onsite or remote
	Female	Male	
Head Office			
Management	16	5	Remote
Staff			
Occupied Palestinian Territories			
Management	0	1	Remote
Staff	1	1	Remote
Partner staff	1		
Bangladesh			
Management		1	Remote
Staff	1	2	Remote
Partner staff	1	1	Remote
Lebanon			
Management		1	Remote
Staff	1		Remote
Partner staff			
Tanzania			
Management	3	2	Onsite
Staff	2	5	Onsite
Partner staff	0	3	Onsite
Burkina Faso			
Management	1		Remote
Staff		4	Remote
Nigeria			
Management	1	1	Remote
Staff		2	Remote
Peru			
Management	6	1	Onsite
Staff	11	4	Onsite
Partner staff	2	2	Onsite
Representative of the Humanitarian Network Peru (OCHA)		1	Onsite
Members of the inter-sectoral working group for migration management in Piura	3		Onsite
Good Samaritan Shelter Manager	1		Onsite
Ministry of Education staff	1		Onsite
Total number of interviewees	52	37	89

2.3 Consultations with communities

Type of group and location	Number of participants		Onsite or remote
	Female	Male	
Tanzania			
Parent teachers' association	3	6	Onsite
Centre management committee	5	7	Onsite
Adolescent girls focus group	9	0	Onsite
School students age 15-16	6	5	Onsite
Sub-Total number of participants	23	18	41
Peru			
Individual interview #1 - Comprehensive Humanitarian Response to COVID-19 in Protection and Health, San Juan de Lurigancho (Lima)	1		Onsite
Individual interview #2 - Comprehensive Humanitarian Response to COVID-19 in Protection and Health, San Juan de Lurigancho (Lima)	1		Onsite
Individual interview #3 - Comprehensive Humanitarian Response to COVID-19 in Protection and Health, San Juan de Lurigancho (Lima)	1		Onsite
Family interview #1 - Comprehensive Humanitarian Response to COVID-19 in Protection and Health, San Juan de Lurigancho (Lima)	1	1	Onsite
Group of discussion #1 - Comprehensive Humanitarian Response to COVID-19 in Protection and Health, San Juan de Lurigancho (Lima)	3		Onsite
Group of discussion #2 - Comprehensive Humanitarian Response to COVID-19 in Protection and Health, San Juan de Lurigancho (Lima)	3		Onsite
Group of discussion #3 - Comprehensive Humanitarian Response to COVID-19 in Protection and Health, San Juan de Lurigancho (Lima)	3	5	Onsite
Group of discussion #6 - Multi-Purpose Cash 'Plus' Assistance to Support Vulnerable Venezuelan Migrants, Piura	7		Onsite
Group of discussion #7 - Multi-Purpose Cash 'Plus' Assistance to Support Vulnerable Venezuelan Migrants, Piura	7		Onsite
Group of discussion #8 - Multi-Purpose Cash 'Plus' Assistance to Support Vulnerable Venezuelan Migrants, Chiclayo	9		Onsite
Group of discussion #9 - Multi-Purpose Cash 'Plus' Assistance to Support Vulnerable Venezuelan Migrants, Chiclayo	4		Onsite
Sub-Total number of participants	40	6	46
Total number of participants	63	24	87

2.4 Opening meeting

Date	2021/11/18
Location	Remote
Number of participants	14
Any substantive issues arising	No

2.5 Closing meeting

Date	2022/04/26
Location	Remote
Number of participants	30
Any substantive issues arising	No

2.6 Programme site(s)

Tanzania: Briefing

Date	2022/02/20
Location	Dar es Salaam
Number of participants	10
Any substantive issues arising	No

Tanzania: De-briefing

Date	2022/03/03
Location	Remote
Number of participants	9
Any substantive issues arising	No

Peru: Briefing

Date	2022/03/03
Location	Remote
Number of participants	11
Any substantive issues arising	No

Peru: De-briefing

Date	2022/03/20
Location	Lima
Number of participants	10
Any substantive issues arising	No

3. Background information on the organisation

3.1 General information

Save the Children (STC) was established in the United Kingdom in 1919 following the blockade of Europe that left millions of children at risk of starvation.

Save the Children International (SCI) is a UK company limited by guarantee and a registered charity in England and Wales, governed by its Articles of Association as last amended on 7 July 2020. It is registered with Companies House and the Charity Commission and must comply with the Companies Act 2006 and Charities Act 2011.

Save the Children International's sole member is Save the Children Association, a Swiss Association formed pursuant to articles 60–79 of the Swiss Civil Code. The Save the Children

Association (SCA) comprises 30 members (27 full members and 3 associate members) as well as SCI. All members of the association share a vision where every child attains the right to survival, protection, development and participation.

SCI is mandated to deliver international programmes through a single organisation and coordinate global campaigns on behalf of the entire Save the Children organisation. This mandate includes humanitarian and development activities and it works in 118 countries globally across a range of sectors - protection, education, health, nutrition, food security and livelihoods, shelter and NFIs, and ASH, and multiple cross-cutting themes. Financing for international programmes is provided by 17 international programming members.

In 2016 Save the Children launched a 15-year global strategy to ensure that by 2030:

- no child dies from preventable causes before their fifth birthday;
- all children learn from a quality basic education; and
- violence against children is no longer tolerated.

In 2020, Save the Children redefined its vision for humanitarian programmes. In response to the COVID-19 pandemic, attention within the sector around issues of racism and neo-colonialism in aid, and growing crises and increasing displacement across the globe, SCI recognises an urgent need to transform. To achieve this transformation SCI has developed a strategy that sets out new ways of working through four key pillars:

One Programme: In 2021, SCI launched its first movement-wide annual response plan "Children Cannot Wait", outlining its collective ambition to reach 15.7 million people including 9.4 million children in 37 crisis affected countries.

One Workplan: SCI is focusing its efforts and resources towards a common humanitarian workplan to ensure that it is fit-for-purpose and able to address key substantive issues impacting the lives of children.

One Team: SCI is uniting technical staff from across the movement to operate as a single, high functioning global humanitarian team.

One Fund: In 2021, SCI launched a global Humanitarian Fund, providing a single mechanism to pool flexible funding from across the movement, enabling faster disbursement in line with the greatest humanitarian need.

SCI currently supports humanitarian programmes in forty countries. In the past two years, SCI has introduced several important new and revised policies and procedures including a Localisation Policy, a revised Emergency Preparedness Procedure, a framework for Anticipatory Action, and the Sustainability Pledge.

Income and Expenditure

During 2020 SCI's income of \$1,166 million remained close to the 2019 amount of \$1,169 million. Similar to previous years, 97% of income was received directly from Save the Children member organisations. The remaining 3% was largely from direct grants and donations in Country Offices and donated professional services.

Total expenditure in 2020 was \$1,144 million, representing a 2% (\$29 million) reduction compared with the \$1,173 million expenditure in 2019. Expenditure fell due to Indonesia and the Philippines transitioning from Save the Children International country offices to becoming

Save the Children associate members. Excluding Indonesia and the Philippines, total spend in 2020 was similar to 2019.

Overall humanitarian spend made up 51% of total expenditure in 2020 against 49% on development. This was a small shift from 2019 where humanitarian made up 48% of total expenditure.

From a thematic perspective, Health and Nutrition expenditure made up 40% of total expenditure in 2020 (40% in 2019), Education made up 25% (23% in 2019) and Livelihoods 14% (16% in 2019).

Expenditure increased in three of SCI's five regions:

- Total spend in the West and Central Africa region increased by 12%, from \$177 million in 2019 to \$198 million.
- 2020 spending in the East and Southern Africa region increased by 6% to \$392 million (\$370 million in 2019).
- In the Latin America and Caribbean region, total spend of \$61 million was 7% higher than in 2019 (\$57 million).
- Spending in the Asia region decreased by \$60 million from \$294 million in 2019 to \$234 million in 2020, largely due to the scale down of the Rohingya response in Bangladesh, and the transition of Indonesia and the Philippines to Associate Members.
- In the Middle East and Eastern Europe region, total spend of \$186 million fell by 9% compared to \$204 million in 2019.

3.2 Governance and management structure

SCI is a UK company limited by guarantee and a registered charity in England and Wales. Its sole member is the Save the Children Association (SCA), a Swiss registered association which has 27 members and 2 associate members. Of the 27 members, 17 are international programming members and 10 are non-international programming members.

SCI is governed by a Board of Trustees that mirrors the board of SCA and consists of:

- Nine individuals who are member organisations that contributed at least 8% of the combined total income of all members of Save the Children Association;
- Three individuals who are elected by those member organisations that do not appoint trustees (as above);
- One independent trustee who is elected by those member organisations which do not appoint trustees; and
- One trustee (who may be independent or from a member board) who the appointed trustees select.

The Board has three sub-committees:

The Audit and Risk Committee is appointed by the Board of Trustees and has five members, including a chair. The committee meets at least four times a year to consider reports from the management team and external auditors. The committee oversees matters concerning SCI's external auditors, the annual financial statements, SCI's internal controls, risk strategy, risk appetite and management (including fraud and safeguarding risk and related management of incidents) and compliance. It also oversees the work of the global assurance function.

The Finance Committee is appointed by the Board of Trustees and has five members, including a chair. The committee meets at least four times a year to consider reports from the management team. The committee advises the board on financial management budget, and reporting, treasury, insurance, and reserves.

The Governance Committee is appointed by the Board of Trustees and has six members, including a chair, who meet at least four times a year. The committee advises the trustees on SCI’s governance framework, the constitution of its Board and Board governance systems and processes, as well as effectiveness.

The People & Organisation Committee is appointed by the Board of Trustees and has six members, including a chair. It determines policy for executive-level compensation (for CEO and certain other senior management roles), advises on organisational design and processes, and organisational culture, and has oversight of SCI’s safeguarding policy and procedures.

At a management level, SCI’s humanitarian governance transitioned in 2021 from all humanitarian decision responsibilities being held by the Humanitarian Steering Group, to shifting to the responsibility of the SCA/SCI Global Humanitarian Director and team. This team has overall responsibility for implementation of the CHS. New reporting relationships and accountabilities under the ‘One Humanitarian Team’ (OHT) are reflected in the diagram below:



Under this model, country offices, response teams, global functions and regional leadership come together to form the OHT. While the Global Humanitarian Director is responsible for operational decision making for the OHT, the Global Program Directors are responsible for providing strategic direction and leadership for the delivery of quality international programming in all contexts. This shift to strategic responsibility sitting with Global Program Directors will increase member engagement in overall SCI humanitarian governance.

3.3 Internal quality assurance mechanisms and risk management

SCI has well established internal quality assurance and risk management mechanisms, including:

Quality Benchmarks (QBs): QBs are minimum standards for programme activities used to monitor programmes activities to ensure they are carried out as planned and result in quality outputs. SCI has developed QBS for nutrition, education, child protection etc.

The Quality Framework: a set of mandatory operational and programmatic policies, procedures and tools, providing a standardised, evidence-based approach to its organisational processes.

The Global Results Framework: articulates the relationship between SCI's thematic ambitions, theory of change and priority inputs and activities, with clearly defined indicators to measure progress at each level of the framework at both country and global levels. Results are presented through the Global Results Framework dashboards, which shows live data on results indicators, country strategic plan milestone, total reach, and key performance indicator data.

Real Time Reviews (RTR): in-country reviews framed around technical quality standards and the CHS to assess whether programmes are being delivered to agreed minimum standards and to check whether the response strategy needs revision.

Operations Control Review (OCR): a multidisciplinary in-country review undertaken in the first stage of a humanitarian response to check that minimum standards for Operations, Supply Chain, Finance, Awards, HR and Child Safeguarding are in place to provide the platform for response programming.

CO Annual Self-Assessment: an annual assessment by Country Offices against SCI's 26 quality standards.

Global Assurance Audit: an internal audit function covering all SCI operations and undertaking a sample of Country Office audits annually.

Accountability System Review tool: A tool which enables COs to review their accountability system, track progress and follow up on actions. Global rollout has started. Two webinars covering Asia, Middle East and Eastern Europe and East and Southern Africa regions have been completed, with West and Central Africa and Latin America and the Caribbean to follow in 2022.

Global Thematic Library: contains thematic resources to support staff in programme implementation and proposal development, such as Common Approach documents, advocacy reports, evaluations, toolkits, training manuals, and assessment guidance.

SCI's approach to risk management is outlined in its Risk Governance Framework, supported by a Risk Management Policy and Procedure. The Chief Risk Officer supports the organisation with risk management expertise and is responsible for embedding and maintaining an effective risk management process within the organisation.

In 2020, the membership of SCI endorsed a global shared risk appetite as part of its global risk management framework with a commitment to embed it in its overall risk culture and review it on a regular basis. It also formed a Risk Management Working Group with substantial regional and country level representation, to drive more systematic risk management at country, regional and SCI Centre levels (London HQ and direct reports). Risks are formally documented in risk management plans, as well as in individual award risk assessments. SCI specifies certain risks that all country offices are required to assess on a routine basis, defined as principal risks, which cover the twelve areas of risk for which a shared Board risk appetite has been established. These include: Speaking out – Not Speaking out; Quality Program Design; Program Delivery; Harming Children and Adults; Safety and security; Harassment and Bullying; People; Fraud and Data; Compliance; Sustainability; Transformation and Delivery; and Governance.

Regional Risk Committees review risk reports, provide support to country offices to manage key risks and act as a mechanism for escalating risks to the Centre and Board committees. At the Centre, SCI has a Centre Risk Management Committee, composed of risk managers, appointed by the Senior Leadership Team members who hold accountability for the principal

risks outlined above. This Committee assists the Senior Leadership Team to identify and discuss the key risks that could limit the organisation's ability to achieve its objectives.

SCI's Audit and Risk Committee is accountable for providing assurance to the Board that SCI's risk management framework is effective, including providing assurance on internal controls, financial oversight, legal compliance and internal audit. Together with ratings and mitigation plans, all principal risks are discussed by the Board Trustees at their quarterly Audit and Risk Committee. Global Assurance is also overseen by the Audit and Risk Committee, which assesses the function's performance, guarantees its independence, approves its strategies and work plan, and receives reports on key risk and control issues arising from its work. The committee seeks regular confirmation and evidence from management that actions it has agreed with the Global Assurance function have been implemented.

SCI's Trustees are accountable for managing and controlling risks within the organisation and for submitting an annual risk management statement to the Charity Commission.

3.4 Work with partner organisations

In 2018 SCI introduced a mandatory policy and procedures on partnerships, a Partnership in Humanitarian Response Toolkit, and two self-guided courses to improve its partnership approaches. Each region now has a regional civil society partnership advisor or focal point and every country office has a partnership focal point. This global architecture lays the foundations for SCI to deepen and extend its work with partners.

In 2019, the MTA found that partner mapping, partnership frameworks and partnership strategies had been developed in some countries, but in other countries the engagement of partners in humanitarian responses was nascent. SCI had rolled out its partner capacity assessment tool which includes mandatory capacity strengthening plans, but its application was variable.

In 2020, SCI commissioned a Global Partner survey, conducted by Keystone Accountability, which benchmarked SCI against peer organisations. Feedback was gathered from over 400 partners (approximately 40% of SCI's current partnership portfolio) and found that SCI performed better than its peers on accountability and transparency but identified the following areas for improvement;

- Diversity of partnerships (too many of the same partners);
- Engagement of partners in project design and throughout the project cycle;
- Listening and responding to negative feedback from partners;
- Lack of flexibility of funding and core support (for example for indirect costs and / or organisation development) in relation to partners' changing needs;
- Strengthening of partners' advocacy and campaigning capacity.

The 2021 CO self-assessment identified partnership as one of five areas requiring improvement in quality, as did the 2019 and 2018 self-assessments before them. In line with broader momentum towards Shifting the Power, SCI is undertaking a 'Partnership Tools Uplift Project' to revise its tools and procedures for partnerships and support partner capacity development. This includes use of the Partner Assessment tool and capacity strengthening plan that is now systematically used for SCI partnerships and increased access for partners to SCI's Humanitarian Leadership Academy.

SCI is cognisant of the need to support the leadership of local and national actors and in August 2020, approved a Localisation Policy, which sets out the organisation's immediate commitments to localisation. In 2021 the organisation began a Localisation Initiative process to identify a direction of travel and ambition building on its Localisation Policy and commitment. Whilst the global ambition is still being refined, SCI introduced a specific indicator in its COVID-19 response strategy to track funds to local and national actors and

Country Offices in East & Southern Africa Region completed a self-assessment exercise in 2021 to map their current approach to localisation including progress, internal strengths and weaknesses. In some locations, SCI has significantly increased its programming in partnership with local partners and partners report that SCI is a collaborative, professional and equitable partner.

4. Overall performance of the organisation

4.1 Effectiveness of the governance, internal quality assurance and risk management of the organisation

SCI scored 2.6 on the CHS Internal Quality Control Index, indicating progress and some areas remaining for improvement, including an observation recorded in respect to under-resourcing of monitoring and evaluation for humanitarian programmes, which potentially compromises SCI's overall ability to learn from experiences and improve practices. The audit also found that although Feedback and Reporting Mechanisms (FRMs) are widely implemented and well used, they are not functioning effectively as a means of community feedback in all countries. Similarly, while SCI has a strong culture of consultation, communities are not always enabled to make meaningful inputs to project design and potential longer-term negative impacts of SCI humanitarian programmes are not systematically considered.

In contrast, key strengths of SCI's systems include Quality Benchmarks used to monitor programmes activities in technical areas, a common results framework that shows live data on results indicators across the organisation, in-country reviews framed around technical quality standards and an annual assessment by Country Offices against SCI's 26 quality standards. SCI undertakes Real Time Review (RTR) and Operations Control Reviews to assess whether large scale programmes are being delivered to agreed minimum standards and to check whether the response strategy needs revision. SCI's quality assurance and risk management function are also supported by an internal audit function covering all SCI operations and undertaking a sample of Country Office audits annually.

Overall, SCI's internal quality assurance and risk management mechanisms are well established, widely understood by staff, and systematically integrated into SCI operations. The organisation's architecture is robust, with extensive systems, guidance and tools that are applied across the broad federated network. The challenge SCI experiences is that rolling out new policies, systems and toolkits across a wide network takes time and must be balanced against the competing priorities of responding to ongoing humanitarian contexts at the field level.

Attention within the sector to issues of racism and neo-colonialism in aid has led to some major changes in SCI's governance over the last couple of years. The shift to 'One Team' unites technical staff from across the movement to operate as a single global humanitarian team. While this new structure has yet to mature, it appears to have broad support from staff working in Country Offices. Increasingly, SCI is rebalancing its workforce to prioritise building technical expertise at regional and country levels so that Country Offices (COs) can more easily access demand-driven and flexible technical assistance.

4.2 How the organisation applies the CHS across its work

The Core Humanitarian Standard (CHS) is integrated into several humanitarian guidance documents and tools, including Real Time Reviews. In addition, the core principles of the CHS are well embedded in SCI policies and practices, reflecting a strong commitment to effectiveness, efficiency, quality and accountability.

SCI staff at the Centre and at COs are familiar with the CHS and can identify SCI policy and practice that are aligned to the core principles of the CHS. Since the observations identified at the MTA in 2019, SCI:

- developed a Needs Assessment Online Toolkit and training, and during COVID-19, developed a COVID-19 Rapid Needs Assessment menu of questions to support COs in their programme response decisions (1.2);
- strengthened processes to assist the rapid implementation of crisis responses. Including the launch of the global Humanitarian Fund, enabling faster disbursement in line with the greatest humanitarian need (2.2);
- completed a year-long feasibility/strategy development process on localisation, and new guidance on partnerships reflect SCI's strengthened policy commitment to local capacity (3.3);
- strengthened its Centre Data Protection Team and conducted a Data Protection Status Update and Data Protection Impact Assessment, with all data protection incidents and breaches reported to the Audit and Risk Committee and externally to the Information Commissioner's Office (ICO) and Charity Commission (3.8);
- developed new SCI global guidance on information sharing and communication with children and communities, with safeguarding streamlined into SCI Accountability to Children and Communities guidance documents and procedures, along with PSEA considerations (4.1);
- moved all humanitarian learning to the Kaya platform, which can be accessed by SCI staff and partners in an offline context (7.5); and
- developed a new Volunteers Management System that tracks adherence to volunteers signing the Code of Conduct and safeguarding policies and attending training on the Code of Conduct, Child protection, PSEAH, incident reporting and fraud (8.1 and 8.2).

An outstanding weakness identified at the MTA and not yet resolved is that SCI does not formally consider environmental impact when using local and natural resources. (9.4)

4.3 PSEAH

SCI scored 2.8 on the CHS PSEAH Index. The Re-verification Audit (RA) found that SCI is deeply committed to PSEAH and safeguarding and has continued to strengthen its investment in processes and staffing to safeguard children and adults. It has a comprehensive set of policies and protocols covering safeguarding of adults and children, including PSEAH, harassment, bullying, and modern slavery and trafficking. Additional safeguarding guidelines were issued for response, reporting and investigation during COVID-19.

A Code of Conduct is in place to guide behaviour of all categories of SCI personnel on the expected standards of professional behaviour including regarding exploitation, abuse, and discrimination. Staff are aware of the Code of Conduct and SCI zero tolerance towards contraventions. All staff receive induction and further training and Safeguarding training and guidance materials are available in local languages. Employees and other representatives are required to report any potential incident, abuse, or concern through SCI's reporting systems. Staff expressed strong awareness of PSEAH obligations and feel confident in using the complaints/feedback mechanisms.

Partners' policies and procedures equivalent to the SCI Code of Conduct, and for safeguarding, and PSEAH policies are verified using SCI's partnership assessment tools before project agreements are signed. SCI makes clear to partners its commitment to inform and raise awareness of communities regarding PSEAH and the expected standards of staff behaviour set out in the SCI Code of Conduct. Suppliers also receive training on SCI standards and procedures, safeguarding and PSEAH.

Communities are aware of how SCI humanitarian staff and partner staff are expected to behave, through training and briefing sessions in schools, child friendly spaces and other venues. Some SCI offices have developed videos and materials to explain safeguarding to children. However, SCI does not consistently analyse the needs and risks facing girls and children with disabilities, does not consistently engage communities in the design of projects and complaints mechanisms, and does not have operational feedback and reporting mechanisms in all contexts.

4.4 Localisation

SCI scored 2.6 on the CHS Localisation Index. SCI's Localisation Policy (2020) commits it to strengthen its partnerships with local and national NGOs, aiming to 'include more qualitative considerations such as the level of equality and accountability within the partnership', and 'involve partners in our strategic planning processes and in all phases of the programme cycle'. SCI is committed to 'shifting greater capacity, means and ownership to national and local actors' and to 'seek opportunities to improve our own capacity as an organisation that is able to complement and support, rather than replace, local actors'. Procurement staff support localisation by proactively identifying and engaging local suppliers in sourcing and as part of the Grand Bargain, SCI has committed to allocate up to 10% additional costs to local and national actors to support their indirect costs and capacity-strengthening initiatives. As of the end of 2021, SCI had made 12 allocations (totalling USD 1.5 million) to Gender, Accountability and Localisation initiatives. However, SCI acknowledges that implementing the Localisation Policy will require changes in practice to go further in seeing local partners more as equals, with SCI in a supportive and empowering but taking more 'back seat' role, with implications for training and mutual learning. An implementation strategy for localisation is yet to be developed.

Reflecting its commitment to localisation, SCI is increasingly working with and building the capacity of local partners in humanitarian responses. The capacities of international and local partners and suppliers are assessed through SCI's comprehensive partner capacity assessment tool, which includes a capacity building plan to address weaknesses are identified. SCI has undertaken internal reviews of its approach to partnership and has identified various initiatives for 2022 under a 'strengthening partnership' priority, including a new approach to accountability to partners.

4.5 Gender and diversity

SCI scored 2.5 on the CHS Gender and Diversity Index. It recognises that age, gender, disability, and other factors of diversity, including socio-economic and cultural factors, play a significant role in both the violations experienced by people living in conflict contexts and their impact. SCI needs assessments sometimes capture the distinct needs of adults, youth, and children and disaggregate findings by gender and design programmes accordingly to include different types of assistance for different demographic groups, with a particular emphasis on protective environments for youth and children in humanitarian settings. However, analysis of gender and disability is not consistently undertaken in all programmes, and some programmes lack strategies that address the differentiated needs of girls and children with disabilities. In addition, women and girls are not consistently consulted on programme design or the design of feedback and reporting mechanisms.

While SCI has recently invested more in supporting its teams to address the exacerbated challenges women and girls face in emergencies, SCI lacks guidance and expertise to strengthen its overall approach to disability analysis and inclusion. Overall, SCI programmes would benefit from an enhanced focus on gender, disability, and other diversity factors.

4.6 Organisational performance against each CHS Commitment

Commitment	Strong points and areas for improvement	Feedback from communities	Average score*
Commitment 1: Humanitarian assistance is appropriate and relevant	<p>SCI's strategy and policy documents commit to providing impartial assistance to the most vulnerable children and their families. Emergency preparedness and response activities are informed by field level needs assessments, community feedback, and available data from interagency coordination.</p> <p>SCI's analysis of gender and disability does not consistently ensure that programmes address the differentiated needs of girls and children with disabilities across its own and partner programmes.</p>	Communities confirmed that they are regularly consulted and have ongoing opportunities to provide input that informs SCI's overall analysis and response.	2.8
Commitment 2: Humanitarian response is effective and timely	<p>SCI's approach to delivering effective and quality humanitarian responses is guided by an extensive and sophisticated set of operational and programmatic policies, procedures, technical guidance, training materials and tools. Programme proposals and risk assessments identify contextual constraints and risks and incorporate strategies to overcome them.</p> <p>SCI has rolled out and strengthened processes to assist the rapid implementation of crisis responses. This includes increased use of framework agreements with suppliers, pre-vetted partnerships in geographically dispersed locations, prepositioned stock, and a more localised Global Humanitarian Surge Team.</p> <p>SCI's recent launch of a global Humanitarian Fund provides a single mechanism to pool flexible funding from across the movement, enabling faster disbursement in line with the greatest humanitarian need.</p> <p>SCI is not consistently evaluating its humanitarian programmes.</p>	Communities reported that they usually receive timely assistance, feel safe in SCI programmes, and are aware of feedback mechanisms available to them if they have concerns.	2.6
Commitment 3: Humanitarian response strengthens local capacities and avoids negative effects	<p>SCI's humanitarian responses seek to build community resilience and it is increasingly working with local suppliers and building the capacity of local partners. It uses a comprehensive partner capacity assessment and works with partners to identify an organisational development plan. However, partner capacity development plans are not consistently implemented.</p>	In some discussions at community level, community members reported that they were more resilient and less at-risk due to SCI programmes.	2.5

	<p>SCI uses a range of risk identification tools, training materials and guidelines to ensure market and cash-based programme designs identify and mitigate risks to the local economy, livelihoods, and early recovery. Community feedback mechanisms and post distribution monitoring also help to identify unintended negative effects. SCI also has established safeguarding practices, risk assessment processes, and complaints mechanisms to identify potential and actual negative effects. However, the potential longer-term negative impacts of SCI's humanitarian programme are not systematically considered, and SCI does not consistently consider unintended negative impacts on the environment.</p> <p>SCI risk management matrices and preparedness plans do not consistently reference external data sources for context setting and external and strategic risk analysis, while transition and exit strategies are not consistently planned and executed. Implementation strategies for early recovery are not found consistently in SCI project documents.</p>		
<p>Commitment 4: Humanitarian response is based on communication, participation and feedback</p>	<p>SCI staff are well informed about SCI's work and values. At the field level, SCI shares information openly with communities about the organisation, its values, and ways of working in appropriate formats and languages.</p> <p>Community members, partners and SCI staff are well informed about SCI's feedback and reporting mechanisms (FRM). The FRM is well documented and implemented. However, a series of challenges prevent it from functioning effectively as a means of community feedback in all countries.</p> <p>While SCI has a strong culture of consulting with communities, they are not always enabled to make meaningful project design inputs.</p> <p>External communications, including those used for fundraising purposes, are accurate, ethical and respectful. They are culturally appropriate, presenting communities and people affected by crisis with dignity. However, the communications sign off procedures have not been updated since 2014 and do not require the avoidance of risk to communities from SCI communications.</p>	<p>Communities report that information provided by SCI is relevant and informative. Communities consider that the issues raised by SCI reflect their concerns and some reported being consulted on prioritisation of risks faced by children.</p>	<p>2.6</p>

<p>Commitment 5: Complaints are welcomed and addressed</p>	<p>Where fully implemented, SCI's feedback and reporting mechanisms have a systematic process for enabling, recording, tracking, and assigning cases for review, referral or subsequent investigation as appropriate.</p> <p>SCI uses a wide range of strategies and communication tools to promote complaints mechanisms in complex contexts. It explains how complaints mechanisms can be accessed and provides training and information in local languages. However, SCI does not consult communities systematically on the design, implementation, and monitoring of complaints-handling processes. The component of the FRM related to complaints has not been implemented effectively in all countries.</p> <p>Partners are obliged to report any complaints or safeguarding incidents to SCI and partners are well-informed and committed to incident reporting. However, SCI acknowledges that its partners' relatively low levels of reporting on complaints and safeguarding incidents represent a risk of abuses going unreported.</p>	<p>Communities are familiar with SCI feedback and reporting mechanisms and expressed confidence that SCI would deal with issues if they were raised.</p>	2.7
<p>Commitment 6: Humanitarian response is coordinated and complementary</p>	<p>Coordination with government, local authorities, community leaders and local and international NGOs is an area of strength for SCI.</p> <p>SCI staff at country level are familiar with the plans and activities of other relevant actors through their participation in sectoral and cross-sector coordination groups. The participation of SCI staff in national and sub-national coordination mechanisms also facilitates complementarity. SCI often plays a leading role in the coordination of child protection, nutrition, WASH, and education.</p> <p>SCI has several processes and tools to ensure the identification of roles, responsibilities, capacities, and interests of different stakeholders. Emergency Preparedness Plans, Country Strategic Plans and programme designs identify other implementing agencies for possible cooperation in a humanitarian response.</p> <p>SCI has a good analysis of various weaknesses in its partnership approach but lacks a dedicated and globally agreed partnership improvement strategy.</p>	<p>Communities consider that SCI's training is appropriate and useful for their development.</p>	3
<p>Commitment 7: Humanitarian</p>	<p>SCI monitoring, evaluation and learning procedures, tools and quality benchmarks</p>		2.3

<p>actors continuously learn and improve</p>	<p>emphasise learning. SCI's global network of thematic expertise ensures that previous experience is applied to new programmes. Technical learnings are also integrated into various toolkits, guidelines, and resources available to SCI staff on OneNet and staff have access to a Global Evaluation & Assessment Repository. Country offices also leverage learnings from staff in the Regional Offices.</p> <p>Country office staff report that lessons learned are usually shared through country level mechanisms such as regular programme team meetings, quarterly review meetings for quality benchmarks and indicator tracking. However, SCI does not systematically record knowledge and lessons learned and make these accessible throughout the rest of the organisation. It also lacks a systematic approach to commissioning and learning from evaluations of humanitarian responses.</p> <p>SCI continues to engage in a range of fora at the international level to share learning and innovation such as being a Cluster Lead Agency in the Global Education Cluster Steering Group and active membership in The Alliance for Child Protection in Humanitarian Action. SCI also hosts an on-line Child Rights Resource Centre that is open to the public and provides access to thousands of resources; and the Humanitarian Leadership Academy, a global learning initiative set up to facilitate partnerships and collaborative opportunities to enable people to prepare for and respond to crises in their own countries.</p>		
<p>Commitment 8: Staff are supported to do their job effectively, and are treated fairly and equitably</p>	<p>SCI staff recruitment and performance management policies demonstrate a commitment to diversity, fairness, transparency, and non-discrimination. Its new Disciplinary Policy sets out a fair and non-discriminatory procedure through which misconduct allegations can be heard and addressed, however its Grievance Policy from 2014 is out of date and does not cross-reference to more recent HR policies.</p> <p>SCI has dedicated, high quality teams of technical staff at all levels of the organisation, supported by extensive resources, tools, and training opportunities. SCI's overall capacity to deliver programmes is, however, sometimes challenged in crisis responses due to challenges in recruiting staff.</p>	<p>Communities reported their satisfaction with the professionalism of staff and reported that they are responsive, polite, and friendly.</p>	<p>2.7</p>

	<p>SCI has robust recruitment, screening and induction processes. All SCI staff sign a policies and procedures checklist to confirm they have read and understood the contents of the Code of Conduct and key policies. In addition, staff are required to attend all mandatory trainings. In some rapid responses however, there have been occasions where SCI staff are recruited without proper orientation or induction and sent to the field, posing a potential risk from a programme quality and safeguarding perspective.</p> <p>SCI has an extensive set of online training resources, guidelines, and toolkits to support them in undertaking their role and initiatives, programmes, and resources available globally to support their health and well-being.</p>		
<p>Commitment 9: Resources are managed and used responsibly for their intended purpose</p>	<p>SCI has well established policies and processes governing the use and management of resources. It is attentive to budget management and closely monitors utilisation and expenditure rates. It is also committed to the highest standards of corporate governance, fiduciary duty, responsibility, and ethical behaviour and takes a “zero-tolerance approach” to fraud, bribery, and corruption. SCI manages corruption risk through a combination of preventative, detective, and corrective controls. In addition to internal controls, mandatory training, dedicated staff that manage risk and fraud, well established complaints mechanisms, and a whistleblowing function, SCI has a Global Audit Function provides an independent and objective assessment of SCI’s risk, control, and governance arrangements.</p> <p>SCI staff are responsible for procuring goods and services according to SCI’s Procurement Manual, the SCI Global Procurement Policy, donor policies and applicable laws. Partners are vetted and their financial capacity assessed before agreements are established.</p> <p>Arrangements with partners are governed by standard contractual agreements that include financial reporting obligations, and clauses relating to fraud, anti-corruption and mandatory incident reporting. For both suppliers and partners, reliable audit trails are required for compliance and internal and external audits. SCI policies and protocols set out clear expectations for review of partner financial reports and at least one on-site visit annually to the partner to review original documentation</p>		<p>2.7</p>

	<p>and assess whether financial controls are operating effectively.</p> <p>Reducing and avoiding costs is an organisational priority that is consistently tracked and monitored. Country offices demonstrate cost consciousness, seeking to reduce costs where possible and deliver maximum value to communities. In line with the Global Procurement Manual, many COs have adopted Framework Agreements with suppliers, improving timely delivery of supplies and services and reducing costs.</p> <p>While SCI has integrated environmental considerations into its supply chain procurement process, SCI is yet to roll-out its Environmental Sustainability and Climate Change Policy to Country Offices working in humanitarian settings and has not integrated environmental considerations into its programme monitoring processes.</p>		
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* *Note: Average scores are a sum of the scores per commitment divided by the number of indicators in each Commitment, except when one of the indicators of a commitment scores 0 or if several scores 1 on the indicators of a Commitment lead to the issuance of a major non-conformity/ weakness at the level of the Commitment. In these two cases the overall score for the Commitment is 0.*

5. Summary of weaknesses

Weaknesses	Type	Recommended resolution date	Date closed out	Status
2019-9.4 SCI does not systematically consider programme impacts on the environment.	Minor	2023/05/22	N/A	Extended
Total Number	1			

6. Sampling recommendation for next audit

Sampling rate	As per HQAI standard sampling rates.
Specific recommendation for selection of sites	Future sampling should ensure that Regional Offices are included.

7. Lead auditor recommendation

(Independent Verification): In our opinion, SCI continues to demonstrate a high level of commitment to the Core Humanitarian Standard on Quality and Accountability and its inclusion in the Independent Verification scheme is justified.	
Name and signature of lead auditor:  Belinda Lucas	Date and place: Sydney, Australia June 06, 2022

8. HQAI decision

Registration in the Independent Verification Scheme:	
<input checked="" type="checkbox"/> Maintained <input type="checkbox"/> Suspended	<input type="checkbox"/> Reinstated <input type="checkbox"/> Withdrawn
Next audit: Surveillance audit before 2025-08-04	
Name and signature of HQAI Head of Quality Assurance:  Elissa Goucem	Date and place: 2022-08-04

9. Acknowledgement of the report by the organisation

Space reserved for the organisation	
Any reservations regarding the audit findings and/or any remarks regarding the behaviour of the HQAI audit team: <i>If yes, please give details:</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Acknowledgement and Acceptance of Findings: I acknowledge and understand the findings of the audit I accept the findings of the audit	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Name and signature of the organisation's representative: INGER ASHING, CEO 	Date and place: 4 Aug 2022, Stockholm

Appeal

In case of disagreement with the decision on certification, the organisation can appeal to HQAI within 14 days after being informed of the decision. HQAI will investigate the content of the appeal and propose a solution within 10 days after receiving the appeal.

If the solution is deemed not to be satisfactory, the organisation can inform HQAI in writing within 30 days after being informed of the proposed solution, of their intention to maintain the appeal.

HQAI will transmit the case to the Chair of the Advisory and Complaint Board who will constitute a panel made of at least two experts who have no conflict of interest in the case in question. These will strive to come to a decision within 30 days.

The details of the Appeals Procedure can be found in document PRO049 – Appeal Procedure.

Annex 1: Explanation of the scoring scale*

Scores	Meaning: for all verification scheme options	Technical meaning for all independent verification and certification audits
0	Your organisation does not work towards applying the CHS commitment.	<p>Score 0: indicates a weakness that is so significant that the organisation is unable to meet the commitment. This leads to:</p> <ul style="list-style-type: none"> • Independent verification: major weakness; • Certification: major non-conformity, leading to a major corrective action request (CAR) – No certificate can be issued or immediate suspension of certificate.
1	Your organisation is making efforts towards applying this requirement, but these are not systematic.	<p>Score 1: indicates a weakness that does not immediately compromise the integrity of the commitment but requires to be corrected to ensure the organisation can continuously deliver against it. This leads to:</p> <ul style="list-style-type: none"> • Independent verification: minor weakness • Certification: minor non-conformity, leading to a minor corrective action request (CAR).
2	Your organisation is making systematic efforts towards applying this requirement, but certain key points are still not addressed.	<p>Score 2: indicates an issue that deserves attention but does not currently compromise the conformity with the requirement. This leads to:</p> <ul style="list-style-type: none"> • Independent verification and certification: observation.
3	Your organisation conforms to this requirement, and organisational systems ensure that it is met throughout the organisation and over time – the requirement is fulfilled.	<p>Score 3: indicates full conformity with the requirement. This leads to:</p> <ul style="list-style-type: none"> • Independent verification and certification: conformity.
4	Your organisation's work goes beyond the intent of this requirement and demonstrates innovation. It is applied in an exemplary way across the organisation and organisational systems ensure high quality is maintained across the organisation and over time.	<p>Score 4: indicates an exemplary performance in the application of the requirement.</p>

* Scoring Scale from the CHSA Verification Scheme 2020