

Takaful Al Sham (TAS)

Maintenance Audit – Summary Report 2021/07/29

1. General information

1.1 Organisation

| Type | Mandates | Verified | |
|---|---|---|-----|
| <input type="checkbox"/> International <input checked="" type="checkbox"/> National <input type="checkbox"/> Membership/Network <input checked="" type="checkbox"/> Direct Assistance <input type="checkbox"/> Federated <input checked="" type="checkbox"/> With partners | <input checked="" type="checkbox"/> Humanitarian <input type="checkbox"/> Development <input type="checkbox"/> Advocacy | <input checked="" type="checkbox"/> Humanitarian <input type="checkbox"/> Development <input type="checkbox"/> Advocacy | |
| Head office location | Gaziantep, Turkey | | |
| Total number of country projects | 19 | Total number of staff | 331 |

1.2 Audit team

| | |
|------------------------|-----------------|
| Lead auditor | Catherine Blunt |
| Second auditor | |
| Third auditor | |
| Observer | |
| Expert | |
| Witness / other | |

1.3 Scope of the audit

| | |
|---|---------------|
| CHS Verification Scheme | Certification |
| Audit cycle | Maintenance |
| Phase of the audit | |
| Extraordinary or other type of audit | |

1.4 Sampling*

| Randomly sampled country project sites | Included in final sample | Replaced by | Rationale for sampling and selection of sites | Onsite or remote |
|--|--------------------------|-------------|---|------------------|
| Dar Alkiram | No | Rawafed | Dar Alkiram was selected randomly but is not included for review at the Maintenance Audit (MA) as it is implemented through partners. Currently, partner implemented projects comprise only 10% of Takaful projects and one was reviewed at the Initial Audit (IA). The auditor selected Rawafed as it has a medium size budget and is directly implemented by TAS. It is an Early Recovery Project which is growing area of work for the organisation. | Remote |
| World Food Programme (WFP) | No | Hemma | The WFP project was selected randomly however it was reviewed at the IA. The auditor selected Hemma as it reflects a major area of TAS work (Education, Protection, WASH). It has a medium | |

| | | | | |
|--|--|--|--|--|
| | | | budget and is directly implemented by TAS. | |
| Any other sampling performed for this audit: <ul style="list-style-type: none"> - The IA used remote auditing techniques with Takaful staff and a large number of communities, and noted the risk inherent in remote techniques. - In this MA, emerging issues, and potential corrective actions were mainly related to Organisational Responsibilities (OR), rather than Key Actions (KA). - In this context, the Auditor applied an extra day to increase the sample size of staff interviews to further assess ORs. | | | | |
| Sampling risk: The range of projects selected, additional interviewing time, and increased sample size reflect a low sampling risk. An on-site visit will occur at the Mid-Term Audit in 2022, pending COVID 19 restrictions. If this is not possible, extended remote interviews with community and staff are recommended. | | | | |

**It is important to note that the audit findings are based on a sample of an organisation's country programme, 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 |
|--------------------------------|--------------------------------------|------------------|
| Head Office, Gaziantep, Turkey | 20, 21, 24, 26 May 2021 (half days) | Remote |
| Hema Project, Nth Syria | 27 th May 2021 (half day) | Remote |
| Rawafed Project, NW Syria | 28 th May 2021 (half day) | Remote |
| | | |

2.2 Interviews

| Position / level of interviewees | Number of interviewees | | Onsite or remote |
|-------------------------------------|------------------------|-----------|------------------|
| | Female | Male | |
| Head Office | | | All remote |
| Management | 1 | 8 | |
| Staff | 1 | 3 | |
| Project Office(s) | | | |
| Management | 2 | 3 | |
| Staff | | 2 | |
| Partner staff | | | |
| Others | | | |
| Board member | | 1 | |
| PSEA NW Syria Network | 1 | 1 | |
| Total number of interviewees | 5 | 19 | |

2.3 Opening meeting

| | |
|---------------------------------------|------------|
| Date | 2021/05/20 |
| Location | Remote |
| Number of participants | 19 |
| Any substantive issues arising | None |

2.4 Closing meeting

| | |
|---------------------------------------|------------|
| Date | 2021/06/01 |
| Location | Remote |
| Number of participants | 16 |
| Any substantive issues arising | None |

3. Background information on the organisation

3.1 General information

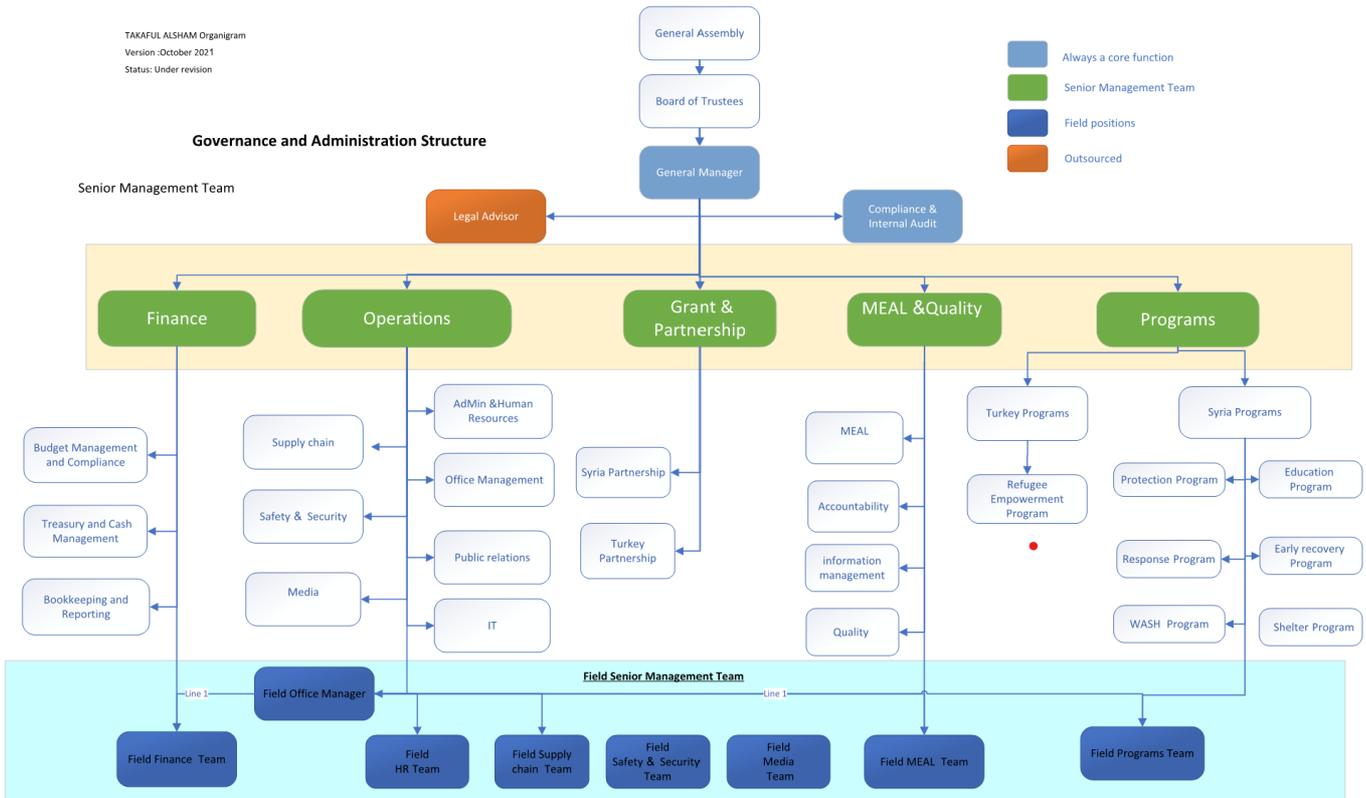
Takaful Al Sham was formed in 2018, please replace it with (Takaful Al Sham Charity Organisation was founded in Turkey in 2012 by a group of volunteers in response to the Syrian humanitarian crisis. It became a registered NGO in 2013). It has some projects in Turkey but works mainly in Syria. This year it developed a new strategic plan, 2020 – 2024. This document is wider reaching, and more future-focused than its predecessor and contains policy commitments which are not evident in other key organisational documents. TAS mission, values and sectoral focus remains the same. However, the budget size and value of the sectors has changed, with an increased proportion of funding now going to education and early recovery projects. The total budget has increased 30 – 40% in the last year. In Turkey, TAS now has a focus on social cohesion projects involving not only Syrian but all displaced nationalities. In Syria, uncertainty regarding the renewal of United Nations (UN) cross border entry into North-West Syria (due in July 2021) threatens the continuation of TAS funding from UN organisations. This requires the development of new partnerships with International Non-Government Organisations (INGO) who will continue to deliver aid to NW Syria regardless of UN decisions. Partly as a response to this uncertainty and building on their expertise in provision of social cohesion services to refugee communities, TAS plans to open an office in Canada by the end of 2021, and over the next five years to expand to Germany, the UK and the USA.

3.2 Governance and management structure

The governance structure remains the same as at the time of the IA i.e., a Board of Trustees elected every two years from the General Assembly. The latter is a membership based broader group of twenty-five ethical people. The Board continues to meet quarterly, and reviews policies submitted by the 'Executive Board' which consists of the General Manager and the five heads of departments that report to him. The previously named General Director is now called the General Manager. The Executive Board now reports exclusively to the General Manager, not the Board. The increase in programme size and budget has enabled additional staff to be employed in the Finance department (see below). The Programme Department now has a Syria Programme co-ordinator which frees the Programme Manager to focus on partnerships and strategic issues.

TAKAFUL ALSHAM Organigram
Version :October 2021
Status: Under revision

- Always a core function
- Senior Management Team
- Field positions
- Outsourced



3.3 Internal quality assurance mechanisms and risk management

The role of the Monitoring, Evaluation, Accountability, Learning MEAL & Quality department in devising and implementing monitoring tools, feedback and complaints processes remains unchanged since the IA. However, the provision of information to stakeholders is now clearly articulated as the responsibility of the Accountability team within the MEAL department. TAS is agile in responding to changing requirements in the sector e.g. it uses the Protection against Sexual Exploitation PSEA checklist recently devised by the PSEA NW Syria Network to monitor its distribution sites. TAS has an Internal Compliance Committee that reports directly to the Board and consists of General Assembly members who can ask for audit reports on a range of areas e.g. compliance with national laws; maintenance of assets; alignment with the organisational plan. The Finance Department has completed a change process which was commenced in June 2020 and completed later that year. The Department is now divided into three areas, including a budget and compliance team (grown from one to five); an Accounting Unit; and Treasury and cash management. The amount of money that can be transferred by cash has increased from \$US500 per transaction to \$US3,000. A specialist company has been employed to provide cash transfers under this amount to reduce security and corruption risks. Broader organisational and programmatic risk e.g., safety and security; PSEA, has been addressed by the development of a risk framework and associated measuring and monitoring tools.

3.4 Work with partner organisations

The IA noted that one-third of TAS projects were implemented through partners. It also found that TAS did not have a systematic approach to partner selection and capacity assessment. TAS reviewed its approach to partners in the intervening year, and now has a partner assessment tool and clear policy requirements for partners which align with the Core Humanitarian Standard (CHS). As a result, it currently has only 10% of its projects implemented through partners.

4. Overall performance of the organisation

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

There have been no major changes to the governance and internal quality assurance of TAS since the IA. Increased funding to programmes has enabled better resourcing at the Head Office and enabled the implementation of planned financial accountability systems. Improved risk management processes developed since the IA are utilised in programmes and at an organisational level. PSEA is now becoming integrated into TAS management and operations and is getting close to this being fully implemented across the organisation.

4.2 How the organisation applies the CHS across its work

At the IA in 2020 TAS was implementing most of the Key Actions of the CHS, however it was weaker in fulfilling its Organisational Responsibilities. Policies were lacking in a range of areas including capacity building; diversity; prioritisation of risk in community engagement; co-ordination and collaboration with others; and the use and management of resources. The complaints policy was not fully documented, and PSEA organisational commitments had been planned but not implemented at that time. TAS did not have the policy, strategies or guidance to ensure that their partners implemented the PSEA requirements of the CHS.

At the time of this MA in 2021 TAS has addressed most of its policy shortcomings, particularly regarding how it: works with partners; prevents programmes having any negative effects; has exit strategies; captures diversity; and co-ordinates with others. It has developed guidance about consideration of the environment in its use of resources, but has some policy and processes to implement regarding organisational financial audits, transparency, and maintaining financial independence. The complaints policy is much improved but still lacks detail on consultation with communities and the investigation process for PSEA and programmatic complaints. Some corrective actions (provision of information to communities on behaviours expected of staff; partner contracts; referral of complaints) cannot be closed at this MA because they need to be checked with partners or communities at the Mid-Term Audit.

4.3 Average score per CHS commitment

| Commitment | Average Score* |
|---|----------------|
| Commitment 1: Humanitarian assistance is appropriate and relevant | 3.0 |
| Commitment 2: Humanitarian response is effective and timely | 2.8 |
| Commitment 3: Humanitarian response strengthens local capacities and avoids negative effects | 2.2 |
| Commitment 4: Humanitarian response is based on communication, participation and feedback | 2.6 |
| Commitment 5: Complaints are welcomed and accepted | 2.0 |
| Commitment 6: Humanitarian response is coordinated and complementary | 2.7 |
| Commitment 7: Humanitarian actors continuously learn and improve | 2.7 |
| Commitment 8: Humanitarian response is effective and timely | 2.4 |
| Commitment 9: Resources are managed and used responsibly for their intended purpose | 2.7 |

* *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 non-conformities

| Corrective Action Requests (CAR) | Type | Resolution due date | Date closed out |
|--|-------|---------------------|-----------------|
| 2020 - 1.5: TAS does not have policies that make explicit the requirement to take the diversity of communities into account, and to collect disaggregated data. | Minor | 2021/06/15 | 2021/06/15 |
| 2020 - 3.4: TAS does not plan a transit or exit strategy in the early stages of a humanitarian programme. | Minor | 2022/06/15 | 2021/06/15 |
| 2020 - 3.7: TAS does not have guidance to prevent programmes having negative effects; and how to strengthen local capacities. Nor does it ensure its partners have policies, strategies or guidance on how to prevent negative effects e.g., exploitation, abuse or discrimination by staff. | Minor | 2021/06/15 | 2021/06/15 |
| 2020 - 4.1: TAS does not provide information to all communities and people affected by crisis about the principles it adheres to and how it expects its staff to behave. | Minor | 2022/06/15 | |
| 2020 - 5.4: TAS complaints-handling process for communities is not adequately documented. | Minor | 2021/06/15 | 2021/06/15 |
| 2021 – 5.4: TAS Complaints and Feedback Mechanism is not clear on the investigation processes for PSEA complaints and for programmatic complaints. | Minor | 2022/06/22 | |
| 2020 - 5.6: TAS does not ensure that communities and people affected by crisis are aware of the expected behaviour of staff, including organisational commitments made on the prevention of sexual exploitation and abuse. | Minor | 2022/06/15 | 2021/06/15 |
| 2020 - 5.7: TAS does not refer complaints that fall outside the scope of it's work to a relevant party in a manner consistent with good practice. | Minor | 2022/06/15 | |
| 2020 - 6.5: TAS does not have policies and strategies that include a clear commitment to coordination and collaboration with others, without compromising humanitarian principles. | Minor | 2021/06/15 | 2021/06/15 |

| | | | |
|---|----------|------------|------------|
| 2020 - 6.6: TAS work with partners is not governed by clear and consistent agreements that respect each partner's mandate, obligations and independence, and recognises their respective constraints and commitments. | Minor | 2022/06/15 | |
| 2020 - 8.9: TAS does not have a policy in place for the wellbeing of staff. | Minor | 2022/06/15 | 2021/06/15 |
| 2020 - 9.6: TAS does not have policies and processes governing how the organisation: b) uses its resources in an environmentally responsible manner; d) conducts audits and reports transparently; and e) assesses, manages and mitigates organisational and financial risk. | Minor | 2022/06/15 | |
| Total Number | 5 | | |

* Note: The CARs are completed by the audit team based on the findings.

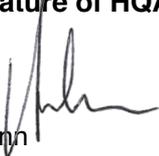
6. Sampling recommendation for next audit

| | |
|---|---|
| Sampling rate | As per project number. |
| Specific recommendation for selection of sites | Partner-implemented project in Turkey; Projects in Syria; Remote review of Canada office (if established) and an associated project. |

7. Lead auditor recommendation

| | |
|--|--|
| <p>In my opinion, Takaful Al Sham has demonstrated that it continues to conform with the requirements of the Core Humanitarian Standard on Quality and Accountability.</p> <p>Based on the evidence obtained, I confirm that I have received reasonable assurance that the organisation is implementing the necessary actions to close the minor CARs identified in the previous audit, and continues to meet the requirements of the Core Humanitarian Standard.</p> <p>I recommend maintenance of certification.</p> | |
| <p>Name and signature of lead auditor:</p> <p>Catherine Blunt</p>  | <p>Date and place:</p> <p>15th June 2021</p> |

8. HQAI decision

| | |
|---|---|
| <input checked="" type="checkbox"/> Certification maintained <input type="checkbox"/> Certificate suspended | <input type="checkbox"/> Certificate reinstated <input type="checkbox"/> Certificate withdrawn |
| Next audit: Surveillance audit before 2022/06/15 | |
| Name and signature of HQAI Executive Director:  Pierre Hauselmann | Date and place: 29 th July 2021, Geneva |

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: Yasser Marrawi  | Date and place: 08/12/2021 |

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 issue 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