

Caritas Denmark

Maintenance Audit 2 – Report - 2023/07/10

1. General information and audit activities

Name of auditor	Ivan Kent	
CHS Verification Scheme	Certification	
Audit cycle	Second Audit Cycle	
Opening Meeting	Date / number of participants	Any substantive issues raised
	31 May 2023 - 3 participants	-
Closing Meeting	08 June 2023 - 5 participants	-
Sampling from Offices / entities	Name/location	
	Copenhagen Office	Remote
Interviews	Position / level of interviewees	Number
	Management	2
	Staff	3

2. Actions and progress of organisation

2.1 Significant change or improvement since previous audit

Significant changes since the Recertification Audit (RA) in 2022 include the introduction of a new Strategic Partnership Agreement (SPA) with the Danish Ministry of Foreign Affairs (SPA II: 2022-2025) and an external audit/certification with Caritas Internationalis Management Standards (CIMS). A revised organisational strategy (2022-2025) and theory of change have been introduced, closely aligned to the SPA II and the Caritas Internationalis Strategic Framework.

Caritas Denmark (CDK) has developed an action plan (presented to its International and Senior Management Teams) to close the gaps identified in previous CHS audits. Specific actions have been taken to address the Minor CARs identified in the previous audit and to strengthen systems as a whole. Revised framework agreements and reporting templates have been shared with CDK's implementing partners, and are being reviewed to take into account partner feedback, Core Humanitarian Standard (CHS) and CIMS audit findings. A country-level risk matrix has been introduced to capture environmental, financial and sexual exploitation, abuse and harassment (SEAH) risks, and now forms part of annual reporting. Policies on the Code of Conduct, Code of Ethics, Feedback and Complaints and Anti-Corruption have been reviewed.

The CDK Accountability Co-ordinator has taken part in a training programme which includes content on developing a culture of safeguarding, on safe recruitment and Complaints Handling Mechanisms (CHM), and on SEAH investigations. This knowledge has been used to revise policies and templates, and to provide additional technical support to staff and partners. An introductory video on CDK policies and values has been developed to circulate among staff and volunteers.

A new 2-year Programme Agreement entitled 'Strengthening the culture of safeguarding children and vulnerable adults within Caritas Africa' enables African Caritas organisations to undertake audits, access support on safeguarding (the 5th CIMS standard), and to include women and youth in all levels of governance and programming. A Local Leadership Strategy (2022-2025) has also been introduced which includes a specific objective to support local partners' efforts to comply with the CHS, with a view to subsequent CHS verification/certification.

A new accounting system has been put in place to reinforce compliance with Danish law and the internal auditor role has been extended for a further year following completion of their 4-year term. A number of minor changes have been made to the structure of the International Department following small shifts in the country portfolio and staff.

Controls to monitor the effectiveness of corrective actions include the recruitment of a MEAL coordinator and a general tightening of MEAL processes, which include the revision of reporting and risk management templates mentioned above. CDK has developed a tool to cross-reference CHS and CIMS standards and maintains a process to track the status of improvement plans including actions to address safeguarding and accountability.

CDK has opted to add its development programme portfolio to the scope of the next CHS audit. The programme quality standards and monitoring frameworks for CDK's humanitarian and development modalities are now similar reflecting CDK's engagement with the nexus agenda. A revised edition of CDK's International Department Handbook is expected to be developed in the coming months in order to take this into account.

2.2 Summary of actions completed since the previous audit to address open CARs

Corrective Action Requests (CARs)	Type and resolution due date	Progress made to address the CARs and in response to the findings of the indicator
CAR 2022-8.9	Minor 2024-03-04	<p>The RA opened a Minor CAR against the finding that 'CDK has no systematic process in place to ensure that partners' security commitments are consistently implemented'.</p> <p>This Maintenance Audit (MA) found that CDK is on track to address this CAR with more to complete in the coming months. Improvements to date include:</p> <ul style="list-style-type: none"> • Country Security and Safety Plans are now in place for all countries of operation, which include responsibilities and contact numbers, maps showing high risk areas and the nature of threats and risk levels. • Partners have been offered support on security procedures, linking this with CDK's strategy to help partners to meet the CIMS. • Security policies and procedures have been highlighted among CDK staff, including requirements for an update on the security context and a briefing with the partner on arrival. • A programme risk matrix tool has been introduced, which includes an annual update on contextual risks including security and natural hazards. <p>Documents and interviews with staff provide evidence of regular dialogue between CDK staff and partners on security, and examples of support provided to partner security policies or systems where requested.</p> <p>Although CDK Country Plans are updated, these do not yet show a strong link to partner contingency plans. Efforts to check that partners are protecting their staff (and visitors where appropriate) from unnecessary threats are not yet recorded systematically.</p>
CAR 2022-9.6	Minor 2024-03-04	<p>The Recertification Audit opened a Minor CAR against the finding that 'CDK has no policy or procedure to regulate how it allocates funds ethically and legally and accepts funds without compromising its independence.'</p> <p>Since the last audit, CDK has developed a fundraising plan highlighting due diligence processes including an assessment of 'values compatibility'</p>

		<p>between CDK and potential donors. The plan has been developed with members of the Senior Management Team.</p> <p>Document review and interviews with staff as part of this audit show several examples of the plan in action, including instances of decisions not to pursue some funding sources as a result of incompatibility.</p> <p>This MA finds that CDK has made good progress to address this gap. The new fundraising plan, and actions taken to regulate funding decisions provide sufficient additional evidence to comply with this indicator and close the Minor CAR.</p>
--	--	--


2.3. Summary of non-conformities

Corrective Action Requests (CAR)	Type	Resolution due date	Status	New resolution due date (if applicable)
2022-8.9: CDK has no systematic process in place to ensure that partners' security commitments are consistently implemented.	Minor	2024-03-04	Open	
2022-9.6: CDK has no policy or procedure to regulate how it allocates funds ethically and legally and accepts funds without compromising its independence.	Minor	2024-03-04	Closed	
Total Number of open CARs	1			


3. Recommendations for renewal audit

Proposed timeframe for the renewal audit	Mid-Nov 2023 to March 2024
Total number of country programme sites in scope	8
Audit sampling rate	3
Total number of sites for onsite visit	1
Total number of sites for remote assessment	2
Sampling	<p>All current countries of operation and humanitarian and development mandates to be included in the sampling frame.</p> <p>Given the addition of development programmes, it is recommended that at least two of the selected countries in the sample contain development/nexus work, including the country visited by auditors. Additional characteristics to be considered include the length of partnership and size of programme portfolio, and feasibility (security).</p>


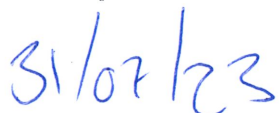
Any other specificities to be considered in the Renewal Audit	<p>A French speaker is recommended for the audit team (CDK has a high volume of work in francophone West Africa) and a good gender balance, preferably with prior knowledge of the Caritas Internationalis network or similar.</p> <p>All CHS Commitments should be assessed taking into consideration the impact of recent strategic developments (such as the revised partnership agreements, reporting templates, CIMS certification and related partner-support initiatives) and the expansion of scope to include development programming. Special attention should be given to observations raised in previous audits (including security, communication with populations on expected behaviours and complaints handling mechanisms, referral pathways for un-met needs, disaggregation of data, and identification and follow-up of environmental risks).</p>
--	--

Name and signature of lead auditor: Ivan Kent 	Date and place: Canterbury (UK) 2023-06-29
---	--

4. HQAI decision

Renewal audit before 2024-03-21	
Name and signature of HQAI Executive Director: Désirée Walter 	Date and place: Geneva, 10 July 2023

5. Acknowledgement of the report and request to proceed to the renewal audit

Space reserved for the organisation	
Any reservations regarding the audit findings and/or any remarks regarding the behaviour of the HQAI audit team: If yes, please give details:	<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 I request HQAI to proceed to the renewal audit	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <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: 	Date and place: 

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.