

Hand in Hand for Aid and Development (HIHFAD)

Maintenance Audit 1 – Report - 2024/10/21

1. General information and audit activities

Role / name of auditor(s)	Lead auditor/ Meur Elisabeth	
Audit cycle	First audit cycle	
Opening Meeting	Date / number of participants	Any substantive issues arising
	9 September 2024 / 5 participants	-
Closing Meeting	24 September 2024 / 5 participants	-
Interviews	Position / level of interviewees	Number
	Manager/country director	3
	Staff	2

2. Actions and progress of organisation

2.1 Significant change or improvement since the previous audit

Since the last audit, HIHFAD has made significant progress in addressing Corrective Action Requests (CARs). The HIHFAD management team and Head Office (HO) staff are committed to the CHS audit response and are coordinating corrective actions at both strategic and programmatic levels. The Country Director oversees the management response process.

Significant changes since the initial audit (IA) in 2023 include a restructuring process and a new strategic direction. The restructuring process aims to strengthen the Monitoring, Evaluation, Accountability, and Learning (MEAL), protection from sexual exploitation, abuse and harassment (PSEAH) and compliance management systems. HIHFAD has developed a new Emergency Response and Recovery (ERL) strategy. This strategy will be mainstreamed across HIHFAD's sectors of operation to ensure a transition from humanitarian response to community empowerment. This is in line with HIHFAD's commitment to localisation and is supported by the new Economic and Empowerment Policy.

Specific actions have been taken to address the minor CARs identified in the previous audit and to strengthen the system as a whole. The organisation has undergone two external assessments - a MEAL assessment by an independent consultant and a PSEA due diligence process led by UNICEF. The strengthening of MEAL processes includes a MEAL development plan, a dedicated working group, restructuring of the MEAL department, capacity building of staff and the adoption of new policies and procedures. The PSEA approach has also been strengthened through the revision of the Human Resource Handbook, the Whistleblowing and Anti-Retaliation Policy, the Safeguarding Policy and the Safeguarding and PSEA Reporting Mechanism, and a new Code of Conduct for staff, trustees and affiliates. The safeguarding function is now under the HR Coordinator, in collaboration with the MEAL Coordinator, with the aim of strengthening staff capacity on safeguarding. The recruitment of a Senior Compliance Officer, the contract with a legal firm in Türkiye and the revision of some policies and procedures are aimed at strengthening the organisation's compliance structure.

The organisation also has to deal with a tense political and economic environment. Türkiye is implementing new regulations on work permits for Syrians and anti-Syrians riots have broken out in several Turkish cities. These measures and the tight political context in the country have affected HIHFAD's Syrian staff and management based in Türkiye. As a result, the organisation has lost staff and management. In addition, HIHFAD is experiencing a decrease in its budget of approximately 30% since 2023. HIHFAD has taken the following mitigating measures:

- Registering the organisation in Egypt on top of the current registration in Türkiye.
- Diversifying donors with a dedicated task force and advocating for some overhead costs to be covered by donors.
- Localisation and capacity building of field staff based in Syria.

The impact of the reorganisation on CHS compliance is not yet totally visible as new and revised policies have only recently been adopted and new procedures have not yet been implemented at project sites level. It will be further analysed in the next audits, with particular focus on the MEAL, Human Resources (HR), Safeguarding and PSEAH management systems.

2.2 Summary on corrective actions

Corrective Action Requests (CAR)	Type and resolution timeframe	Progress made to address the CAR and in response to the findings of the indicator	Evidence (doc no., KII)
2023-3.7: HIHFAD has no procedures in place to identify potential unintended negative effects in the areas of livelihoods, the local economy and the environment.	Minor By 2026 (RA)	<p>The Maintenance audit (MA) found that HIHFAD is on track to address this CAR:</p> <ul style="list-style-type: none"> The new Economic Empowerment Strategy provides a framework for economic resilience and self-sufficiency. HIHFAD has developed a Standard Operation Procedure (SOP) to assess unintended negative effects in the areas of livelihoods, the local economy, and the environment. This assessment includes mitigation measures, responsibilities, and timelines. A new Focus Group Discussion (FGD) SOP and form have been developed to identify potential negative effects at initial stages and during projects. The new Needs Assessment form includes questions on economic conditions and livelihoods. 	<p>Documents: ORG128, 129, 138-140, 151.</p> <p>Interviews with management and staff.</p>
2023-4.1: HIHFAD does not systematically ensure that information is provided to communities about the organisation's principles and how it expects staff to behave.	Minor By 2026 (RA)	<p>According to HIHFAD's new Safeguarding Policy, safeguarding will systematically be integrated into information campaigns and meetings with communities.</p> <p>At programme level, while the new FGD SOP includes mandatory information and discussion on PSEA, safeguarding and complaints, it does not include information about the organisation's principles and expected staff behaviour. An example of a completed FGD was provided to the auditor.</p> <p>HIHFAD has developed contextualised materials and the auditor received examples of posters about the complaint handling mechanisms (CHM) but no specific communication materials on the organisation's principles and expected staff behaviour were provided.</p> <p>HIHFAD has made some progress to close this CAR and the Renewal Audit will look for specific communication materials on expected staff behaviour and how this information is made mandatory in the FGD SOP or other guidance.</p>	<p>Documents: ORG42, 90, 127, 133, 144.</p> <p>Interviews with management and staff.</p>
2023-5.6: HIHFAD does not ensure that communities are fully aware of the expected behaviour of staff and of HIHFAD's	Minor By 2026 (RA)	<p>To address this minor CAR, the organisation has worked to strengthen both its safeguarding and MEAL processes.</p> <p>HIHFAD has a detailed training plan for all employees, including safeguarding and PSEA training, refresher training and a training tracker managed by the HR</p>	<p>Documents: ORG127, 132, 133, 138, 140, 144.</p> <p>Interviews with</p>

commitment to PSEAH.		<p>department. Document review and interviews with staff indicate that safeguarding training is ongoing for all staff. Thirty-eight safeguarding focal points have been trained at project site level.</p> <p>Staff interviews indicate that posters are systematically displayed in distribution points, health facilities, schools and during activities. Examples of new posters on CHM for women, children and the illiterate were provided to the auditor (see 4.1).</p> <p>The new FGD format includes mandatory questions on PSEA and safeguarding. It should allow HIHFAD to assess the level of awareness and understanding of the communities on these issues and then to inform them. However, it does not formally include discussion on expected staff behaviour.</p> <p>Progress is being made to address this CAR. Community awareness and understanding of expected staff behaviour will be assessed during community consultations at the next renewal audit.</p>	management and staff.
2023-7.5: HIHFAD does not have effective mechanisms in place to record knowledge and experience and make it accessible throughout the organisation.	Minor By 2026 (RA)	<p>The closure of this minor CAR is in progress.</p> <p>The Terms of Reference (ToR) of the MEAL working group include the goal of fostering a culture of learning and knowledge sharing, developing systematic processes for learning, and disseminating lessons learned. The MEAL work plan covers activities aimed at improving the learning process, including both recording and sharing lessons learned (LL).</p> <p>HIHFAD has developed a 'SOP for Documentation and Management of Lessons Learned'. This new procedure aims to establish a structured approach for collecting, documenting, and managing LL from projects. This SOP has yet to be validated by the Head of Programmes. According to staff interviews and the SOP, a LL report will then be used to systematically record LL in a systematic way at the end of each project. Discussions have also started with the IT team to ensure that lessons learned are accessible throughout the organisation and for all staff.</p> <p>The next audit will verify how the implementation of this new SOP is effective to record and to share LL across the organisation.</p>	<p>Documents: ORG134, 138-140.</p> <p>Interviews with management and staff.</p>
2023-8.9: The implementation of HIHFAD's policy for staff security, health and wellbeing is dependent on the availability of donor funding and on	Minor By 2026 (RA)	<p>Progress has been made on this indicator, but measures remain contingent on political constraints and donors' requirements.</p> <p>At policy level, the new HR policy states that the Finance Department will seek to include staff wellbeing activities in project budgets. Following the 2023 earthquake, HIHFAD developed a Duty of Care framework in line with</p>	<p>Documents: ORG 30, 137,153.</p> <p>Interviews with management and staff.</p>

donor rules and regulations.		<p>its Duty of Care Policy. This framework was dedicated to all staff members affected by the earthquake. While all these measures are subject to donors' approval and budget availability, HIHFAD was able to activate this framework in 2023 to support affected staff.</p> <p>Political regulations in Türkiye also prevent the implementation of some HR provisions regarding security, health and wellbeing. To mitigate these legal barriers, the organisation has hired a law firm to provide legal advice in Türkiye and is in the process of hiring a compliance officer.</p>	
<p>2023-9.6: HIHFAD has no policies or processes in place governing that: it (b) uses its resources in an environmentally responsible way; (d) it conducts audits, verifies compliance and reports transparently; it (f) ensures that the acceptance of resources does not compromise its independence.</p>	Minor By 2026 (RA)	<p>This MA found that HIHFAD has made some progress in addressing this CAR.</p> <p>Regarding the use of its resources in an environmentally responsible way (9.6 b), HIHFAD will test a tool – i.e., NEAT+ - tailored to assess the environmental impact of programmes. The organisation is also looking for an external consultant to support the development of the organisation's environmental commitment. The 'Unintended negative impact assessment' form is designed to explore the potential negative environmental impacts of project activities, including pollution, resource depletion, and changes to ecosystems.</p> <p>HIHFAD has also made progress in developing its internal compliance function (9.6 d) through:</p> <ul style="list-style-type: none"> – The revision of the Finance, Procurement, and Asset policies, the HR Manual, the Policy on Whistleblowing and Protection Against Retaliation. – The engagement of legal advice. – The intention to recruit a senior Compliance Officer who will report to the Executive Country Director (as shown in the new organogram). Funding for this new post has not yet been secured and in the meantime the compliance function is shared between the Operation, the Finance manager, and the Country Director. – Carrying out regular external audits in the UK and Türkiye, in addition to individual audits for grants. The organisation has also developed ToR for an external audit of its financial management in Türkiye. <p>No progress was observed on 9.6 f during this audit. While the Go-No-Go scorecard includes consideration of the strategic fit with donors, the form does not cover ethical standards in assessing potential donors and does not allow the organisation to ensure that accepting funds does not conflict with its values and independence.</p>	<p>Documents: ORG12, 23, 26, 30, 31, 50, 129, 137, ORG148, 154.</p> <p>Interviews with management and staff.</p>

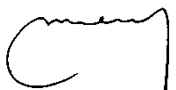
3. Summary of non-conformities

Corrective Action Requests (CAR)	Type	Status	Resolution timeframe
2023-3.7: HIHFAD has no procedures in place to identify potential unintended negative effects in the areas of livelihoods, the local economy and the environment.	Minor	Open	By 2026 (RA)
2023-4.1: HIHFAD does not systematically ensure that information is provided to communities about the organisation's principles and how it expects staff to behave.	Minor	Open	By 2026 (RA)
2023-5.6: HIHFAD does not ensure that communities are fully aware of the expected behaviour of staff and of HIHFAD's commitment to PSEAH.	Minor	Open	By 2026 (RA)
2023-7.5: HIHFAD does not have effective mechanisms in place to record knowledge and experience and make it accessible throughout the organisation.	Minor	Open	By 2026 (RA)
2023-8.9: The implementation of HIHFAD's policy for staff security, health and wellbeing is dependent on the availability of donor funding and on donor rules and regulations.	Minor	Open	By 2026 (RA)
2023-9.6: HIHFAD has no policies or processes in place governing that: it (b) uses its resources in an environmentally responsible way; (d) it conducts audits, verifies compliance and reports transparently; it (f) ensures that the acceptance of resources does not compromise its independence.	Minor	Open	By 2026 (RA)
Total Number of open CARs	6		

4. Claims Review

Claims Review conducted <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Follow-up required <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
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5. Lead auditor recommendation

In my opinion, HIHFAD has demonstrated that it is taking necessary steps to address the CARs identified in the previous audit and continues to conform with the requirements of the Core Humanitarian Standard on Quality and Accountability. I recommend maintenance of certification.	
Name and signature of lead auditor: Meur Elisabeth 	Date and place: 2024.10.08, Malbuisson

6. HQAI decision

<input type="checkbox"/> Certificate maintained <input type="checkbox"/> Certificate suspended	<input type="checkbox"/> Certificate reinstated <input type="checkbox"/> Certificate withdrawn
Surveillance audit before: 2025/10/21	
Name and signature of HQAI Executive Director: Désirée Walter 	Date and place: Geneva, 21 October 2024

7. 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: 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	<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: Faddy Sahloul  <small>Faddy Sahloul (Oct 24, 2024 13:42 GMT+1)</small>	Date and place: Oct 24, 2024 England

Appeal

In case of disagreement with the quality assurance decision, the organisation can appeal to HQAI within 14 workdays after being informed of the decision.

HQAI will transmit the case to the Chair of the Advisory and Complaint Board who will confirm that the basis for the appeal meets the appeals process requirements. The Chair will then constitute an appeal panel made of at least two experts who have no conflict of interest in the case in question. The panel will strive to come to a decision within 45 workdays.

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


HIHFAD_MA1_Summary_2024-10-21


Final Audit Report


2024-10-24


Created:	2024-10-24
By:	Essam Abdely (e.abdely@hihfad.org)
Status:	Signed
Transaction ID:	CBJCHBCAABAA2Pch9hXv6ESz_IAq8obz2FYPUof6JOFX


"HIHFAD_MA1_Summary_2024-10-21" History


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 Document emailed to faddy@hihfad.org for signature
2024-10-24 - 12:37:58 PM GMT

 Email viewed by faddy@hihfad.org
2024-10-24 - 12:40:00 PM GMT

 Signer faddy@hihfad.org entered name at signing as Faddy Sahloul
2024-10-24 - 12:42:13 PM GMT

 Document e-signed by Faddy Sahloul (faddy@hihfad.org)
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