

Concern Worldwide

Maintenance Audit 2 – Report – 2024/03/27

1. General information and audit activities

Name of auditor	Daniel Rogers	
Audit cycle	Second cycle	
Opening Meeting	Date / number of participants	Any substantive issues raised
	5 October 2023 / 1	None
Closing Meeting	15 December 2023 / 2	None
Sampling from Offices / Entities	Name/location	
	Dublin Office	None
Interviews	Position / level of interviewees	Number
	Manager / Head Office	1
	Senior Manager / Head Office	2

2. Actions and progress of organisation

2.1 Significant change or improvement since previous audit

Concern Worldwide (CW) has taken the findings of the previous audit seriously and these are discussed at the highest levels of the organisation. As a result, CW has taken specific steps to address the gaps identified in that audit. In addition to the specific actions taken in response to the Corrective Action Requests (CARs) in the previous audit, CW has continued ongoing work to address other gaps identified in earlier audits.

CW continually reviews its systems to ensure good governance, quality assurance and accountability to the populations it serves. This process is led by the Senior Management Team (SMT) and overseen by the Board of Directors. The SMT is undergoing a period of change. A new CEO was appointed in December 2022 for a five-year term. In March 2023 a new Finance Director was appointed.

As part of CW's Strategic Plan, a number of initiatives have continued over the past year. Some key tasks of note are the further development of the Corporate Services department and the restructuring of the Finance department. A large project was initiated to implement a new Finance and Supply Chain system and, in addition, a review of internal processes was undertaken. CW's internal audit program was expanded and further enhanced the investigation support.

Some key policies updated include the Anti-Terrorism and Anti Money Laundering Policy (December 2022); IT Policy (November 2023); Ethical Fundraising Policy (April 2023); Risk Management Policy (Sept 2023); and Workplace Policy (January 2023). CW is in the process of finalising a policy on the use of AI in Concern and the policy on sharing Indirect Cost Rates with Local Partners.

A number of other policies and strategies have been approved or updated. These include How Concern Understands Extreme Poverty (April 2023), Treasury Policy (Feb 2023), Staff Expenses Policy (June 2022), Anti-Bullying &

Harassment Policy (March 2022), Board and Committee Member Expenses Policy (Feb 2023), Education Strategy (Feb 2023).

Another big piece of work that Concern has been undertaking, in response in part to feedback received during previous HQAI audits has been on communication within the organisation. Led by the Director of Communications, and with cross-organisation involvement, work has been carried out to improve communication. The 2022-2025 Global Communications Strategy guides this ongoing work. CW has rolled out a 'Digital Workplace' to improve access to information for staff across all offices. Upgrading of IT resources and systematic training and support to staff to access and engage, aims for information to be more accessible.

Concern's People Strategy was approved in December 2022 and focuses on five key areas – recruitment and information systems; equality, diversity and inclusion; talent development; global pay and wellbeing. A Workplace Equality Diversity and Inclusion Strategy was approved in February 2023. Throughout 2023 Concern has implemented new Performance Development and Review (PDR) formats throughout the organisation. A Talent Management Strategy and work plan was approved by SMT in July 2023.

As detailed during the previous audit, much work has been undertaken to continue the roll out of the Protection and Safeguarding Strategic Framework (PSSF) Action Plan. In November 2022, a new Director of Protection and Safeguarding was appointed and was joined by two new members to the Protection and Safeguarding Unit team. A range of actions have been undertaken or initiated to strengthen CW's approach to safeguarding.

Agency wide consultations on Localisation were held in 2022 and 2023 culminating with Board approval for Concern's position paper on Localisation (June 2023). In conjunction with this position paper, CW is developing a Localisation Process Map, which outlines the processes and specific steps required. At the same time, CW is looking at how to build on the current local partnership strategy and examine what the best options are for localisation in each country of operation.

CAR 2022-3.4

In June 2023, Concern developed a Working Paper on Exit Strategies and Sustainability. This working paper provides a detailed analysis of different scenarios in which Concern works and in which exit and sustainability must be considered.

Country strategies are developed in line with the organisational 5-year strategy. The next strategy period begins in 2025, with the strategy development process taking place in 2024. Country strategies will be expected to be designed in line with organisational guidance and position papers developed on localisation, exit, transition and sustainability. A process of reviewing country strategic plans exists and involves regional and headquarters management and relevant technical advisors from headquarters who review and provide feedback into draft country strategic plans.

When major new programmes and projects are designed, they also go through a review and approval process which has input from relevant technical and other advisors at regional and headquarters level. It is expected that new programmes will be designed in line with organisational guidance on exit and transition. Questions of exit and sustainability will be embedded in guidance around quarterly and annual programme reviews.

It should also be noted that the concepts of exit, transition, sustainability and localisation are all subject to live discussion within the organisation at the current time. The organisation is aware that it often scores poorly on sustainability in evaluations, and it is also aware that the countries in which it operates are increasingly fragile, resource poor and often lacking in strong local structures (either governmental or civil society) to transition programmes to, and that this reality means designing relevant exit strategies is often challenging. The Working Paper provides a framework within which to consider what a responsible exit would look like in different countries and situations.

CAR 2022-9.4

A number of tools and guides already exist to support countries with this indicator. Concern already has an environmental policy, which includes environmental screening, disaster risk reduction and climate change adaptation. In addition to the existing ones, a number of new resources have been made available and exiting tools and guides have been updated.

Based on best practice standards in environmental management, the Internal Environmental Screening guidance (developed in 2022) was updated in 2023 to provide Concern staff with sufficient advice and guidance to enable country programmes to undertake environmental screening.

In addition, Nexus Environmental Assessments (NEAT+) were undertaken in four countries (Somalia, Ethiopia, Syria and Sudan). To improve environmental compliance for large-scale infrastructure works, Concern commissioned Mott MacDonald to review Environmental and Social Impact Assessments (ESIA) carried out by Concern. Guidance and recommendations relating to preparation of Terms of Reference (ToR) templates, preparation of initial budgeting tools, and evaluation tools were provided to Concern.

Ensuring that country programmes apply and roll out these guides and tools in a consistent way across the entire organisation is the responsibility of Concern's environmental sustainability advisor (currently vacant and under recruitment), supported by Concern's climate and environment advisor (programmes) but it is also the responsibility of country and regional management as Concern seeks to make environmental sustainability a cross cutting theme.

The main method for monitoring application of environmental related guidance and procedures is through the annual reporting process Annual Programme Progress Reports (APPR) which include environmental elements and questions which all countries must report on.

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
2022-3.4	Minor 2025-04-01	<p>In June 2023, Concern developed a Working Paper on Exit Strategies and Sustainability. This working paper provides a detailed analysis of different scenarios in which Concern works.</p> <p>Concern's new working paper on exit strategies and sustainability contains five key principles to consider in relation to exiting an area or country: consider how to exit a particular area in the design of programmes; provide information to communities and people affected by crisis on the responses in place, including their duration and plans for exit; build on local capacities to strengthen resilience and help people to exit conditions of extreme poverty; enable the development of local leadership and organisations in their capacity as first-responders in the event of future crises; undertake appropriate analysis of the context throughout our interventions, reviewing whether our exit plans remain appropriate, and whether they are having any unintended or unexpected consequences that may impact on these. The working paper contains a set of agreed actions to be taken forward during 2024 and 2025 including updating Programme Quality guide, technical strategies, guidance for working with communities, work with local partners and country strategic plans.</p> <p>Country programme strategies are developed in line with Concern's global strategy, which runs until 2025 when a new strategy will be launched. Country programme strategies will therefore see additional consideration of exit strategies and planning for sustainability in their new strategies in 2025.</p> <p>At the level of programmes and projects, it is expected that more attention will be given to consideration of exit strategies and sustainability as new programmes and projects are developed.</p> <p>Concern has developed a new Localisation Position Paper (draft, June 2023) which sets out the organisation's understanding and definition of localisation.</p>

		<p>How the organisation understands localisation is closely related to how it designs and implements its exit and transition strategies.</p> <p>This new organisational focus and clarity on the concepts of localisation, exit strategies and sustainability have been developed partly in response to the findings of the previous audit report. These new working and position papers are expected to provide the organisation with greater clarity with regards what is expected from country programmes and from specific projects in terms of exit planning and considering transition and sustainability elements during country entry and exit and programme design and implementation.</p>
2022-9.4	Minor 2025-04-01	<p>Since the RA 2022, Concern has made progress on a number of fronts in relation to this CAR. Concern's Internal Environmental Screening guidance (originally developed in 2022) was updated in 2023 to meet best practice standards in environmental management. The guidance contains comprehensive advice and tools to enable Concern staff to undertake environmental screening. While this is not mandatory, the idea is to provide tools and information to staff, so they are able to conduct the most appropriate and cost-effective type of environmental screening relevant to their particular programmes.</p> <p>For construction activities Concern has developed guidance and recommendations and a range of relevant tools to ensure environmental compliance.</p> <p>A range of examples have been provided detailing how different Concern country programmes have implemented a range of environmental assessments, and specific programmes related to environmental protection and management.</p> <p>In addition to the guides and tools put in place, and examples of good practice in relation to Concern's programmes, the organisation continues to take a range of actions to reduce its environmental footprint and to promote environmental sustainability in general and has set challenging targets to meet in this respect.</p>

2.3. Summary of non-conformities

Corrective Action Requests (CAR)	Type	Resolution due date	Status	New resolution due date (if applicable)
2022-3.4 Country and programme strategies and plans do not currently include how Concern plans to exit or transition from a country or project area.	Minor	2025-04-01	Open	
2022-9.4 Concern does not systematically consider its impact on the environment when using local and natural resources across its offices and programmes.	Minor	2025-04-01	Open	
Total Number of open CARs	2			


3. Recommendations for renewal audit

Proposed timeframe for the renewal audit	Approximately Mid March 2024 – July 2024
Total number of country programme sites in scope	24


Audit sampling rate	5
Total number of sites for onsite visit	2
Total number of sites for remote assessment	3
Sampling	<p>It is recommended that the standard sampling rate is used, meaning a sample rate of 5 with 2 of these being on-site visits.</p> <p>As per the recommendation in the previous audit report the sample should include at least one example of a rapid onset disaster response programme for this RA. This recommendation will need to be balanced with the need to ensure new countries are included in the sample, alongside security considerations as a high number of countries in which Concern works are high risk.</p>
Any other specificities to be considered in the Renewal Audit	<p>The RA should include all of Concerns entities worldwide including its Head Office, other international offices (US and UK) and all of its country programmes.</p> <p>The on-site samples should include examples of direct implementation as well as work with local NGO partners.</p> <p>The sample should include both development and humanitarian programmes and should include examples of recent responses to rapid onset disasters.</p> <p>In addition to the gaps identified in the previous audit report, additional areas of particular focus should include partnership, localisation and environment all of which are likely to feature prominently in Concern's next strategic plan which will be under development during 2024. There are a range of specific areas to examine as part of the next audit including: the changes to the systems put in place for safeguarding including managing feedback and investigations; the new finance and supply chain systems; changes within HR including talent development and global pay framework.</p>

Name and signature of lead auditor:	Date and place:
 Daniel Rogers	21 st February, 2024

4. HQAI decision

Renewal audit before 2024/10/11	
Name and signature of HQAI Executive Director:	Date and place:
Désirée Walter 	Geneva, 22 February 2024

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 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 type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No
Name and signature of the organisation's representative: 	Date and place: 10/03/2024

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.