

## Recertification Audit STAGE 1 – Summary Report 2020/03/10

*This is the Stage One Report of the recertification audit. It includes the findings from the first phase of the audit process, which scope is limited to the open non-conformities and relevant policy-level requirements. If no major non-conformity is identified at Stage One the certificate is renewed.*

*Stage Two of the recertification audit will include site visits to the head office and a sample of country programmes. Upon completion of Stage Two, a final audit report will present all the findings of the audit and final conclusions on the performance of the organisation against all commitments of the CHS.*

*If major non-conformities are identified at Stage 2 of the audit process, the certificate will be suspended, possibly withdrawn following HQAI established procedure (PRO116 – Issuance, suspension, reinstatement and withdrawal of certificates).*

## 1. General information

<b>Organisation</b>	CAFOD		
<b>Type</b>	<b>Mandates</b>	<b>Verified mandates</b>	
<input type="checkbox"/> National <input type="checkbox"/> Membership/Network <input type="checkbox"/> Direct Assistance <input checked="" type="checkbox"/> International <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 checked="" type="checkbox"/> Development <input type="checkbox"/> Advocacy	
<b>Head office location</b>	London, UK		
<b>Total number of country programmes</b>	40 countries	<b>Total number of staff</b>	409 staff

<b>Audit team</b>	
<b>Lead auditor</b>	Johnny O'Regan
<b>Second auditor</b>	Aninia Nadig
<b>Third auditor</b>	
<b>Observer</b>	
<b>Expert</b>	
<b>Other</b>	

### Scope of the audit

<b>Audit Stage</b>	<b>CHS Verification Scheme</b>			
	Certification	Independent Verification	Benchmarking	Other
Initial audit (IA)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
First maintenance audit (MA1)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mid-term audit (MTA)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Second maintenance audit (MA2)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Recertification audit (RA)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Extraordinary audit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Short notice	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other ( <i>specify</i> )	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

### Opening meeting

<b>Date</b>	(14/01/2020)
<b>Location</b>	London
<b>Number of participants</b>	3
<b>Any substantive issues arising</b>	None

### Interviews conducted during Stage 1

<b>Level</b>	<b>Number of interviewees</b>	<b>Onsite or remote</b>
<b>Head Office</b>	9	
Management	3	4 onsite 1 remote (Skype)
Staff	6	All onsite
<b>Country Programme(s)</b>	6	1 onsite, 3 remote
Management		
Staff		
Other ( <i>specify</i> )		
<b>Total number of interviews</b>	<b>15</b>	9 onsite, 6 remote

## 2. Background information on the organisation

### Governance and management structure

Compared to the 2018 Mid Term Audit (MTA), there are no major changes in the main features of CAFOD's organisational governance, mechanisms and processes relevant to decision-making at organisational level.

Catholic Agency for Overseas Development (CAFOD), established in 1962, is the official overseas development and relief agency of the Catholic Church in England and Wales. CAFOD acts as part of the global Caritas network, a federation of approximately 160 Catholic relief and development agencies. CAFOD works in 4 main areas: Sustainable Development, Disaster and Emergency Response, Campaigning and Advocacy, and (in the UK), Education. CAFOD works in approximately 40 countries worldwide.

The organisation is governed by a Board of Trustees and managed by the CAFOD Leadership Group (CLG), its key decision-making body on strategic orientation and on quality and accountability. The CLG meets once a month and is comprised of the heads of all main CAFOD Departments (see most recent Organogram), including International Development, Emergency Response, Advocacy and Education, People, Performance and Governance, Finance etc. See organogram attached.

A number of management groups meet regularly and report to the CLG. These are, in particular:

- The International Programmes Strategy Group (IPSG), comprised of the heads of group for the International Development Group (IDG), Emergency Response Group (ERG) and Advocacy and Education Group (AEG) and the Operations Director;

Income Oversight Cluster; key postholders within the organisation looking at CAFOD's overall income from all income streams;

- Supporter strategy group; engaging the Catholic community in England & Wales for participation and income raising;
- Organisational Development Cluster is comprised of key postholders who play a role in organisational development and health such as change, culture and people.

The following Groups do not report directly to the CLG:

- International Programme Leadership Group (IPLG), which reports to IPSG, is comprised of all management team members from AEG, ERG and IDG. It focuses on cross group topics and projects (including the recent change project IP Futures), and links closely with the Programme and Partnership Manual Working Group on key pieces of work;
- Strategy and Performance Committee, a subset of the Board of Trustees, examines performance against strategy and reports to the full Board of Trustees
- Finance Legal Audit and Risk Committee, a subset of the Board of Trustees, examines financial health and compliance and reports to the full Board of Trustees

Since 2016, in the wake of Pope Francis' Encyclical "Laudato Si" (2015), CAFOD focuses more on localisation and sustainability. Its goal is to address the root causes of poverty in a context of growing environmental problems, which call for a profound shift in modes of intervention. For CAFOD, among other things, this means placing finance, capacity and expertise as close as possible to communities. Following a mid-term strategy review in 2015 CAFOD has downsized its senior and middle management posts by > 20%, reducing the ratio of managers to operational staff. It also reduced some of its expertise at HO, including several technical support roles that offered support to staff and partners while stressing the need to source technical expertise from individuals and groups closer to the country level..

*Our Common Home*, the new CAFOD Strategic Framework replacing Just One World, will drive these changes in a fundamental conceptual and operational shift towards new definitions of progress and a root causes-focused approach with strong links between poverty and environmental issues. The new Strategic Framework will build on changes embedded within the 'Towards 2020' strategic review process launched in 2016 by the CLG with a particular focus on Programme quality, resource stewardship, localization, environmental impact and the role of the Catholic community in modeling these changes in their own lives. .

	<p>CAFOD is currently at drafting stage for <i>International Programmes Futures</i> (IP Futures), a fundamental strategic review of international programmes in light of <i>Our Common Home</i>. IP Futures foresees a total re-think, including focus and partner selection. In addition, under <i>Our Common Home</i>, by 2030, CAFOD intends to become a net carbon neutral organisation, which includes an overhaul of how to strengthen MEAL activities while travelling less, and a move from bilateral to multi-lateral and more non-traditional partner relationships.</p> <p>The results of the 2018 MTA had a profound impact on CAFOD. Over the past two years, all governance levels, including the CLG, worked on reviewing and improving CAFOD's internal ways of working and its relationship with partners, with particular focus on safeguarding and complaints mechanisms.</p>
<p><b>Effectiveness of the internal quality assurance systems</b></p>	<p>CAFOD'S Management groups (described above) and the CLG are the highest-level quality assurance mechanisms. Many change processes relevant to International Programmes are intended to be managed through <i>IP Futures</i>, notably partner support, MEAL and staff workload. Towards the end of the audit (May 2020), how IP Futures will contribute to strengthening quality and accountability should become clearer.</p> <p>CAFOD's programme quality standards and standard international operating procedures are all aligned with the CHS. Those developed under CAFOD's T2020 change project remain valid, in particular the <i>Programme Management Manual</i>, the <i>International Partnership Manual</i> and the <i>Programme Finance Manual</i>. CAFOD also developed substantial tools in child protection, gender mainstreaming, resilience, protection, enterprise development and environmental stewardship.</p> <p>In response to issues raised in the MTA, CAFOD took actions to improve programme quality and accountability to communities and people affected by crisis by actively developing and updating relevant policies, standards and guidance, including for complaints and safeguarding. CAFOD has dedicated significant human and financial resources to address identified gaps in these areas.</p> <p>One key tool is the Safe, Accessible, Dignified &amp; Inclusive (SADI) programming framework, developed in 2018. It includes safeguarding and complaints handling, but also other critical aspects of programming such as community engagement and information sharing. A SADI Steering Group ensures a structured rollout and implementation process with clear instructions and milestones for staff. SADI is part of the broader, fundamental organisational change process, coordinated by the Organisational Performance and Governance team, which leads on performance improvement and increasing organisational coherence and staff engagement in change processes.</p> <p>CAFOD is training staff on its SADI approach, with a focus on complaints mechanisms. Staff then capacitate partners as required. Linked to SADI, CAFOD is carrying out a partners' risk profiling and gap analysis, including safeguarding, complaints management and information sharing. The information gathering stage will end in October 2020 and is allowing CAFOD to prioritise partners for capacity strengthening. As of January 16, 2020, 80% of partners had safeguarding profiles attached to their records; 63% of partners (and 92% of high-risk partners) had at least partially completed assessments of safeguarding requirements. As outlined above, in <i>IP Futures</i>, CAFOD may also review the partnership criteria and choice of partners to work with.</p> <p>Staff emphasized the positive impact of the change process, while also recognizing that in particular the focus on SADI's development and rollout were onerous for staff and partners, and that other areas of improvement, such as inclusion, MEAL, and technical support to partners, have not received sufficient attention. To support staff in this process, the Performance and Governance team has grouped the various change elements in an <i>Organisational Change Portfolio</i> which should help coordinate the various initiatives and manage the impact on staff time. In early 2020, the Portfolio contained 15 distinct change initiatives with defined deliverables and milestones.</p>

	<p>Ethics Point is CAFOD’s complaints and incident management system for all staff. It can also be used by partners and communities (if appropriate). There are quarterly outputs to CAFOD CLG and trustees, and the Head of People.</p> <p>In early 2020, CAFOD’s Internal Audit function was reviewing compliance with UK and overseas legislation, donors and standards. CAFOD intends to eventually link up the compliance review with the other change process initiatives to enable CAFOD to provide and use data and information for various audiences and purposes.</p> <p>CAFOD’s programme management system, Webpromise, is used organisation-wide. Users say it generally functions adequately, if somewhat clumsily, is not accessible offline and is not fully usable for some specific purposes, particularly sharing learning across the organisation.</p> <p>In terms of Programme Design Monitoring Evaluation Accountability and Learning (PDMEAL), as stated in earlier audit reports, some countries have in-country resources and expertise, but there is very limited consistency across countries. Support for PDMEAL was moved in 2016 from central to local programme teams, with the aim of building up and stabilizing local expertise. This has not happened consistently yet, mainly due to the current focus on safeguarding and CAFOD is now renewing its focus on PDMEAL – with a centrally managed PDMEAL project, PDMEAL funds for grants to partners and a more joined up approach to PDMEAL, programme quality, and performance measurement and reporting. ., PDMEAL will be one of CAFOD’s focus areas identified in 2020 as part of IP Futures.</p> <p>The 2019 <i>Dignity, Diversity and Equality Policy</i> for the workplace is intended to secure a diverse workforce who are treated equally. Staff roll out has/will include awareness trainings for staff, and updating existing policies and action plans that support a safe work culture. Staff performance reviews increased in frequency from yearly to quarterly in 2019.</p>
<p><b>Work with partner organisations</b></p>	<p>Outside the UK, CAFOD works through approximately 400 short and long-term partnerships with local and international organisations, both faith-based and secular. CAFOD disaggregates partnerships into three categories: strategic, fellowship and project. A project partnership is defined by a set of specified deliverables on behalf of the actor with which CAFOD engages; a fellowship partnership is largely driven by CAFOD’s engagement with the core values and vision of the partner; while a strategic partnership is driven by joint strategizing, and both deliverables and engagement on core values. This forms the basis for different levels of engagement and capacity strengthening support including on quality and accountability.</p> <p>There have been no fundamental changes in the way CAFOD works with partners since the previous audits, with a continued focus on localization and capacity building. The subsidiarity principle remains central as CAFOD focuses on relationships and shared values. This means that the individuality, bureaucratic capacity and context of partner organisations are recognised and valued. At the same time, the focus on key principles such as safeguarding and growing focus on PDMEAL means that the organisation is now working towards greater consistency among partners. CAFOD will explore how to strengthen its Capacity Strengthening and accompaniment work as part of IP Futures.. Nonetheless, CAFOD recognises that it may always be difficult to translate some un-recorded partner capacity strengthening work into required reporting formats.</p> <p>CAFOD has reduced its technical support staff at HO and provides limited support (upon request) to partners, who are expected to source technical support locally from national experts. However, recognising the varying levels of partner capacity, CAFOD develops and rolls out tools including on gender, resilience and sustainability and environmental stewardship. As part of the aforementioned organisational shift towards localisation, CAFOD has guidance on enterprise development and designing programmes to build resilience. CAFOD is currently exploring social impact investment opportunities and potential working arrangements with social enterprises.</p>

### 3. Lead auditor recommendation

In our opinion, CAFOD is implementing the necessary actions to address the minor CARs identified in the previous audit and no major CAR has been identified at this stage of the audit. We recommend that CAFOD's certificate is renewed.

Name and signature of lead auditor:

Johnny O'Regan



Date and place:

Dublin, February 27, 2020

### 4. Stage 2 recommendation

Stage 2 is recommended	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
Explanation / pre-conditions	Outside England and Wales, CAFOD works exclusively through partners. Therefore, it is important to understand the impact of organisational restructuring and changes in its internal quality assurance systems on partner organisations.
Recommended timeframe for Stage 2	Due to COVID-19 situation the partner visits in March/April 2020 will likely need to be postponed for a period of 6 months.

### Country programme sampling recommendation for Stage 2

Randomly sampled country programme sites	Included in final sample (Yes/No)	Replaced by	Rationale / Comments (If random sample not included explain why and give rationale for selected country programme)	Selected for Onsite visit / Remote assessment
Colombia	Yes			Onsite visit
Eritrea	No	Mozambique	Considerable entry restrictions into the country	no
Mozambique	Yes		Important to have at least one African country, given CAFOD's focus on Africa	Remote
Sri Lanka	Yes			Remote
Honduras	Yes			Remote
Zambia	Yes			Remote

Add any other sampling performed for this audit (for example federations, regional offices, etc.):

*\*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.*

## 5. HQAI decision

- |   |   |
|---|---|
| <input checked="" type="checkbox"/> Certificate renewed | <input type="checkbox"/> Certificate reinstated |
| <input type="checkbox"/> Certificate suspended          | <input type="checkbox"/> Certificate withdrawn  |

## 6. Summary of non-conformities

*Note: this summary is based on Stage 1 assessment results only and forms the basis for the Stage 2 assessment. The conclusions can potentially change after onsite visits are conducted, as a result of new evidence identified.*

Corrective Action Requests (CAR) (YYYY – indicator)	Type (minor / major)	Resolution due date (YYYY/MM/DD)	Date closed out (YYYY/MM/DD)
2019 - 3.8 CAFOD has not yet demonstrated sufficient capacity building and oversight of partners to ensure that partners are systematically protecting personal information.	Minor	26/03/2020	
2019 - 4.1. CAFOD does not yet systematically ensure that partners provide information about the principles they adhere to, the expected behaviours of staff, their programmes and deliverables.	Minor	26/03/2020	
2019- 5.1: CAFOD has not yet demonstrated that it has undertaken sufficient capacity building and oversight of partners to ensure they consult with communities on the design, implementation and monitoring of complaints-handling processes.	Minor	26/03/2020	
2019 5.3: CAFOD has not yet demonstrated systematic capacity building and oversight of partners to ensure that partners are managing complaints timely, fairly and appropriately.	Minor	26/03/2020	
2019- 5.4 CAFOD has not yet demonstrated that partners' complaints handling mechanisms are in place	Minor	26/03/2020	
2019 - 5.6: CAFOD has not yet demonstrated formal oversight over partners' efforts to ensure that communities are aware of expected staff behaviour.	Minor	26/03/2020	

## 7. Acknowledgement of the report by organisation

Space reserved for the organisation	
Reservations regarding the findings / remarks regarding the behaviour of the audit team:	<input type="checkbox"/> yes <input type="checkbox"/> no
Reasons, please give details:	

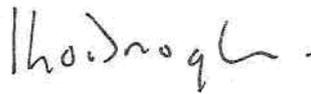
## Acknowledgement and Acceptance:

I acknowledge and understand the findings and recommendations for Stage 2 as detailed in this Stage 1 Report

Name and signature of organisation representative:

Geoff O'Donoghue  
Director of Operations

Date:



20.03.20

## 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 in writing HQAI 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

<b>0</b>	<b>Major non-conformity or Major weakness</b>
	Your organisation currently does not work towards applying this requirement, either formally or informally. It's a major weakness that prevents your organisation from meeting the overall commitment.
<b>1</b>	<b>Minor non-conformity or Minor weakness</b>
	Your organisation has made some efforts towards applying this requirement, but these efforts have not been systematic.
<b>2</b>	<b>Observation</b>
	Your organisation is making systematic efforts towards applying this requirement, but certain key points are still not addressed.
<b>3</b>	<b>Conformity</b>
	Your organisation conforms to this requirement, and organisational systems ensure that it is met throughout the organisation and over time – the requirement is fulfilled
<b>4</b>	<b>Exceptional conformity</b>
	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.