Islamic Relief Worldwide (IRW)
Maintenance Audit – Summary Report MA2 2020/07/08

1. General information

Organisation

Type	Mandates	Verified
☐ National ☐ Membership/Network ☒ Direct Assistance ☒ International ☒ Federated ☒ With partners	☒ Humanitarian ☒ Development ☒ Advocacy	☒ Humanitarian ☒ Development ☐ Advocacy
Head office location	Birmingham, United Kingdom	

Total number of country programmes	32 country programmes	**Total number of staff**	3,000

Audit team

Lead auditor	Johnny O'Regan
Second auditor	
Third auditor	
Observer	
Expert	
Other	

Scope of the audit

CHS Verification Scheme

Audit Stage	Certification	Independent Verification	Benchmarking	Other
Initial audit (IA)	☐	☐	☐	☐
First maintenance audit (MA1)	☐	☐	☐	☐
Mid-term audit (MTA)	☐	☐	☐	☐
Second maintenance audit (MA2)	☒	☐	☐	☐
Recertification audit (RA)	☐	☐	☐	☐
Extraordinary audit	☐	☐	☐	☐
Short notice	☐	☐	☐	☐
Other *(specify)*	☐	☐	☐	☐

Sampling

Randomly sampled country programme site	Included in final sample *(Yes/No)*	Replaced by	Rationale / Comments *(If random sample not selected explain why and give rationale for the country programme selected)*	Selected for onsite visit or remote assessment
Central African Republic	No	Kenya	Kenya is more representative of programming. Next random sample included Kenya.	Remote
Nepal	Yes		This was selected as it was considered sufficiently representative of IRWs programming, while also contributing to a geographical spread of sampled sites.	Remote
Lebanon	Yes		This was selected as it was considered sufficiently representative of IRWs	Remote

			programming, while also contributing to a geographical spread of sampled sites.	
Pakistan	No	Afghanistan	Pakistan was already audited as part of mid term audit. Next random sample included Afghanistan.	Remote

Add any other sampling performed for this audit (*for example federations, regional offices, etc.*): None

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.

2. Activities undertaken by the audit team

Locations assessed

Locations (*offices, projects at country programme level*)	**Dates**	**Onsite or remote**
HQ	4/5/20	Remote
Nepal	5/5/20	Remote
Lebanon	5/5/20	Remote
Afghanistan	6/5/20	Remote
Kenya	6/5/20	Remote

Interviews

Position / level of interviewees (*add information as necessary*)	**Number of interviewees**	**Onsite or remote**
Head Office		
Management	8	Remote
Staff	7	Remote
Country Programme(s)		
Management	6	Remote
Staff	4	Remote
Partner staff	0	Remote
Others (specify)	0	Remote
Total number of interviews	*25*	

Opening meeting

Date	2020/05/05
Location	Remote
Number of participants	12

Closing meeting

Date	2020/05/07
Location	Remote
Number of participants	13

Any substantive issues arising	No		Any substantive issues arising	No

3. Background information on the organisation

Governance and management structure	There has been very limited changes since the mid term audit; the overall structure is described below the organisation chart.
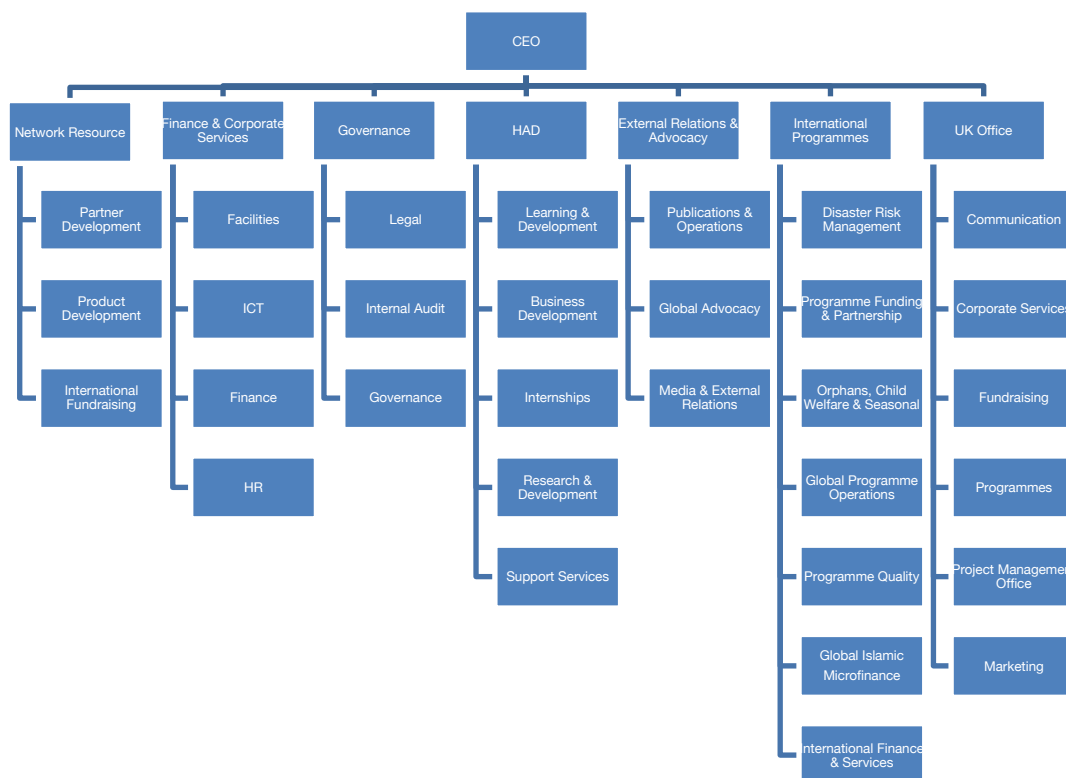
Islamic Relief Worldwide (IRW) continues to be the single operational arm that implements programme activities through 32 country offices (such as IR Sudan, IR Philippines) globally. As before,14 national offices ('IR partners') fund Islamic Relief Worldwide (IRW) but have limited control over programme implementation, except for ensuring that back donor requirements are met, and that systems and procedures are uniform.

IRW maintains five departments / functions, with the heads of numbers 1-4 below sitting on the senior management team with the CEO:

1. Chief Operating Officer (responsible for HR, finance and services),
2. external relations (including advocacy),
3. network resource development (including fundraising and partner development),
4. International Programmes Department (IPD), which includes global programmes, programme quality and disaster risk management. Global programmes oversees four regions: East Africa, West Africa, Middle East and Europe, Asia.

5. Governance Division tasked with ensuring consistency in policy development and implementation across the organisation in collaboration with IPD. The head of the governance division has an independent reporting line to the board of trustees.

For large scale emergencies, the key decision-making body remains the emergency panel, which consists of the IPD director, head of global operations, humanitarian department, head of affected region, country director, and a representative from communications. The group makes Go/No Go decisions and other initial decisions such as allocation of emergency funding and deployment of rapid response personnel. Thereafter regional offices and country offices generally assume responsibility for managing responses. The following are draft 2019 financials.

2019 Draft Expenditure				
Cost of Charitable activities	Activities undertaken directly	Support costs	Total	
	2019	2019	2019	
	£	£	£	
Campaigning for change	1,466,821	467,298	1,934,119	1.7%
Protecting Life and Dignity	59,668,808	386,625	60,055,433	53.2%
Empowering Communities				
- Access to healthcare and water	10,858,276	807,723	11,665,999	10.3%
- Caring for Orphans and children	26,131,233	160,326	26,291,559	23.3%
- Supporting Education	3,946,716	403,862	4,350,577	3.9%
- Sustainable livelihoods	8,158,974	406,423	8,565,397	7.6%
	110,230,828	2,632,257	112,863,085	100.0%

Effectiveness of the internal quality assurance systems

IRW maintains its bespoke quality management system, IHSAN, that integrates the requirements of the CHS, Accountable Now, Red Cross Code of Conduct, ECHO Framework Partnership and DEC. The CHS requirements in particular, are explicitly referenced throughout the IHSAN Framework providing IRW with an organisation-wide tool to assess and monitor their compliance with the CHS. The framework continues to cover 8 key standards or areas of IR's work: Governance; Finance; Human Resources; Security; Projects and Programmes; Disaster Preparedness; Networking and Partnerships; and Communications. IRW refines IHSAN as necessary, for example, in response to outcomes from CHS audits. Country offices continue to complete a self-assessment against the framework and develop a capacity building action plan each year. They now also upload evidence to demonstrate existing practices against each standard. The self-assessment enables country offices to identify strengths and weaknesses, and the action plans support capacity building, in a systematic and accountable manner.

There have been very limited changes since the mid term audit. Previously IHSAN contained three levels of indicators but since the MTA, IRW merged level 2 indicators (some of which were CHS indicators) into Level 1 to speed up quality management as country offices are required to attain Level 1 within 2-3 years. At that point, IRW will raise standards further by requiring country offices to attain Level 2 (previously Level 3). And although structurally the systems remain the same, IRW has been developing quality assurance tools and systems such as its verification framework. The framework now includes all CHS indicators and recommends a range of documentary evidences against each CHS one. The self-assessment scoring and evidence submitted are reviewed by Regional offices, IHSAN Standard leads and Global MEAL Unit against the IHSAN Verification Framework to ensure robustness of the verification process. However, scoring criteria remain the same (0= not started, 3=fully met). The MEAL Framework also includes a number of templates and guiding documents that are contained in the list of recommended evidences against various IHSAN indicators.

Work with partner organisations	No changes since the mid term audit except the levels of funding. IRW continues to primarily deliver its projects and work directly by IR staff based in the country offices. Implementing partners continue to typically work through IRWs systems, for example using IRWs complaints mechanisms and information sharing tools. IRW's maintains its strategic objective to increase its work with local actors. In 2019, IRW worked through 22 implementing partners, representing approximately 1.8% of global expenditure through INGOs and 8.4% through local partners. This represents a change from 2018 when 2.4% of global expenditure was through INGOs and 10.1% through local partners. The primary reason for the decrease was that funding for the Rohingya response, which was frequently channelled through INGOs and local partners, fell in 2019.

4. Overall performance of the organisation

Effectiveness of the management system and internal quality assurance and governance	By continuing to refine IHSAN (as described above) by fully integrating all CHS components into Level 1 of IHSAN (and accordingly all relevant organizational processes such as proposal development, risk management and monitoring), IRW is ensuring that it continues to comply with the CHS and address its one outstanding CAR (3.6).
Overall organisational performance in the application of the CHS	IRW continues to conform with the requirements of the CHS and demonstrate a strategic and systematic commitment to improving practice. Since the mid term audit, IRW has focused on continuing to embed its IHSAN quality management system, which integrates all the CHS requirements, and provides an organisation-wide tool to assess and monitor compliance by all country offices with the CHS in a systematic, verifiable manner. This audit only focused on the one outstanding CAR (3.6) and there is evidence that IRW is making solid progress to ensure that it systematically identifies potential and actual negative effects during project design and monitoring. IRW is making progress in a range of other related areas, for example developing its Serious Incident reporting policy, organizing a safeguarding summit, developing its approach to safeguarding and investigation during COVID 19, and training and appointing investigation leads.

Average score per CHS commitment

CHS Commitment	Average score*
Commitment 1: Humanitarian assistance is appropriate and relevant	3
Commitment 2: Humanitarian response is effective and timely	2.8
Commitment 3: Humanitarian response strengthens local capacities and avoids negative effects	2.5
Commitment 4: Humanitarian response is based on communication, participation and feedback	3
Commitment 5: Complaints are welcomed and addressed	2.9
Commitment 6: Humanitarian response is coordinated and complementary	3

Commitment 7: Humanitarian actors continuously learn and improve	3
Commitment 8: Staff are supported to do their job effectively, and are treated fairly and equitably	3
Commitment 9: Resources are managed and used responsibly for their intended purpose	2.8

Note: scores are updated at this audit stage based on the results from previous audit results

5. Summary of non-conformities

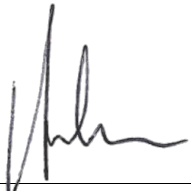| Corrective Action Requests (CAR) / Weaknesses *(YYYY – indicator)*	Type (minor / major)	Resolution due date *(YYYY/MM/DD)*	Date closed out *(YYYY/MM/DD)*
2019- 3.6 IRWs systems for identifying unintended effects do not specifically consider the full range of potential and actual negative effects.	Minor	2021/05/08	

6. Sampling recommendation for next audit

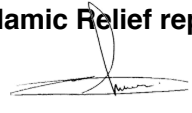| Sampling rate	Four country programmes
Specific recommendation for selection of sites	Sampling should be in line with normal HQAI sampling rate and approach.

7.Lead auditor recommendation

In our opinion, IRW is on course to implement the necessary actions to close the minor CARs identified in the previous audit and continues to conform with the requirements of the Core Humanitarian Standard on Quality and Accountability. We recommend maintenance of certification.	
Name and signature of lead auditor: *Johny o' Rega* Johnny O'Regan, Lead Auditor, HQAI	**Date and place:** July 8, 2020, Dublin

8. HQAI decision

☒	Certificate maintained		☐	Certificate reinstated
☐	Certificate suspended		☐	Certificate withdrawn

Next audit
Recertification Audit (RA) to be completed before 2021.05.08 *(date from the issue of certificate)*

Name and signature of HQAI Executive Director:	**Date and place:**
Pierre Hauselmann	July 8, 2020 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: *If yes, please give details:*	☐ yes ☒ no
Acknowledgement and Acceptance of Findings: I acknowledge and understand the findings of the audit	☒ yes ☐ no
I accept the findings of the audit	☒ yes ☐ no
Name and signature of Islamic Relief representative: Naser Haghamed CEO	**Date and place:** 9th July 2020 Birmingham, UK

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

0	**Major non-conformity or Major weakness**
	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.
1	**Minor non-conformity or Minor weakness**
	Your organisation has made some efforts towards applying this requirement, but these efforts have not been systematic.
2	**Observation**
	Your organisation is making systematic efforts towards applying this requirement, but certain key points are still not addressed.
3	**Conformity**
	Your organisation conforms to this requirement, and organisational systems ensure that it is met throughout the organisation and over time – the requirement is fulfilled
4	**Exceptional conformity**
	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.