

# Norwegian Church Aid (NCA)

## Maintenance Audit – Summary Report NCA MA 2020/06/03

### 1. General information

#### Organisation

| Type   | Mandates  | Verified mandates  |     |
|--|---|--|-----|
| <input type="checkbox"/> National<br><input type="checkbox"/> Membership/Network<br><input type="checkbox"/> Direct Assistance<br><input checked="" type="checkbox"/> International<br><input type="checkbox"/> Federated<br><input checked="" type="checkbox"/> With partners | <input checked="" type="checkbox"/> Humanitarian<br><input checked="" type="checkbox"/> Development<br><input checked="" type="checkbox"/> Advocacy | <input checked="" type="checkbox"/> Humanitarian<br><input checked="" type="checkbox"/> Development<br><input type="checkbox"/> Advocacy |     |
| <b>Head office location</b>  | Oslo, Norway  |  |     |
| <b>Total number of country programmes</b>  | 24  | <b>Total number of staff</b>   | 855 |

#### Audit team

|                       |                |
|-----------------------|----------------|
| <b>Lead auditor</b>   | Karin Wierenga |
| <b>Second auditor</b> | --             |
| <b>Third auditor</b>  | --             |
| <b>Observer</b>       | --             |
| <b>Expert</b>         | --             |
| <b>Other</b>          | --             |

#### Scope of the audit

| Audit Stage                    | CHS Verification Scheme             |                          |                          |                          |
|--------------------------------|-------------------------------------|--------------------------|--------------------------|--------------------------|
|                                | 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 checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Recertification audit (RA)     | <input 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"/> |

#### Sampling\*

| Randomly sampled country programme sites | Included in final sample | Replaced by | Rationale / Comments<br>(If random sample not included explain why and give rationale for selected country programme)                           | Remote assessment |
|--|--------------------------|-------------|---|-------------------|
| Jordan                                   | Yes                      |             | Humanitarian Operation, Area Office   | Yes               |
| Bangladesh                               | Yes                      |             | Humanitarian Operation, Country Office  | Yes               |
| Guatemala                                | No                       | Pakistan    | NCA is part of a Joint Office with LWF as host, following LWF requirements and procedures. Therefore, Guatemala is not suitable for this audit. |                   |
| Pakistan                                 | Yes                      |             | Long Term Development as well as Humanitarian Operation. Country Office   | Yes               |

**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

### Interviews

| Position / level of interviewees (add information as necessary) | Number of interviewees | Onsite or remote |
|---|------------------------|------------------|
| <b>Head Office</b>  |                        |                  |
| Management  | 2                      | Remote           |
| Staff   | 3                      | Remote           |
| <b>Country Programme(s)</b>                                     |                        |                  |
| Management  | 3                      | Remote           |
| Staff   | 2                      | Remote           |
| Partner staff   |                        |                  |
| Others (specify)  |                        |                  |
| <b>Total number of interviews</b>                               | <b>7</b>               |                  |

### Opening meeting

|                                       |            |
|---------------------------------------|------------|
| <b>Date</b>                           | 2020/04/21 |
| <b>Location</b>                       | Remote     |
| <b>Number of participants</b>         | 2          |
| <b>Any substantive issues arising</b> | none       |

### Closing meeting

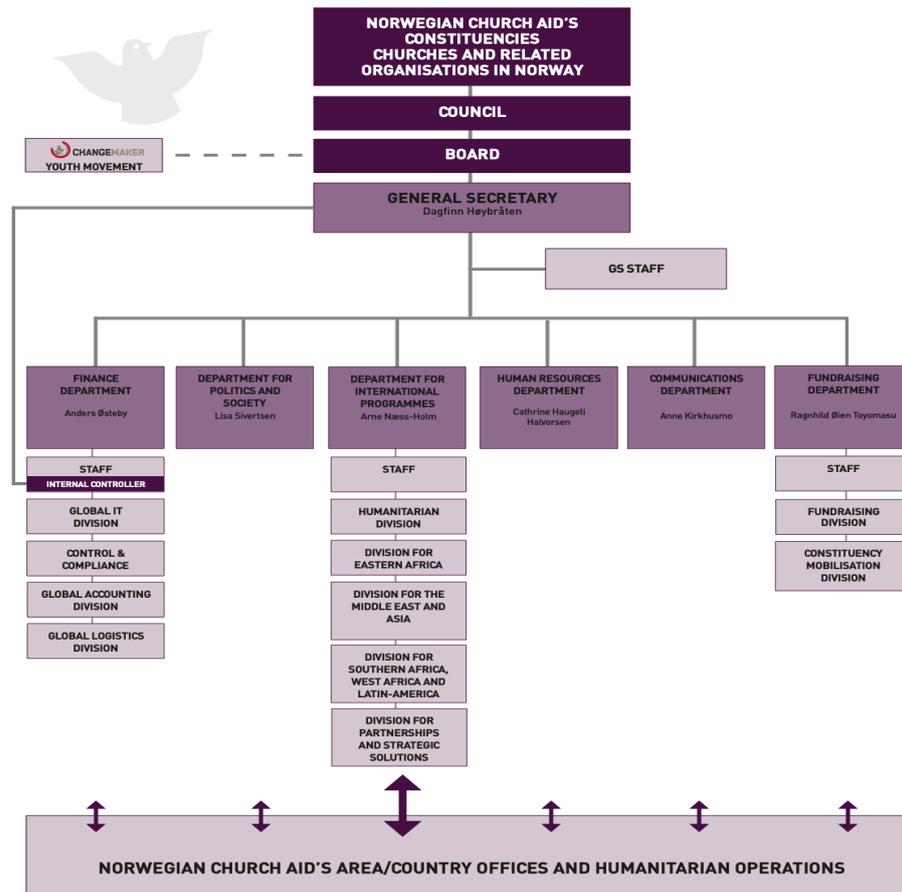
|                                       |            |
|---------------------------------------|------------|
| <b>Date</b>                           | 2020/04/21 |
| <b>Location</b>                       | Remote     |
| <b>Number of participants</b>         | 1          |
| <b>Any substantive issues arising</b> | none       |

## 3. Background information on the organisation

### Governance and management structure

NCA continues to commit to the CHS in its new Programme Framework for 2020-2030, guided by NCA's global strategy "Faith in Action" (May 2018). As part of the Sustainability Standards, NCA commits to implement the CHS commitments in all aspects of the work. The development of organisational tools to support the country offices to further align with the Sustainability Standards is promoted with a new position currently created for a Civil Society and Accountability Advisor. The CHS Focal point at NCA head office (HO) will be supported by focal points in other departments at NCA HO with this task formally in their job description. CHS compliance is now included in the Country Strategy Risk Management Matrix that is an annex to all Country Strategies (Annual Plans). The Country Annual Plans include country office key actions to address the CAR's of the previous CHS Audit at the country level.

NORWEGIAN CHURCH AID'S ORGANISATION CHART AS OF 01.12.2019



**Effectiveness of the internal quality assurance systems**

The new NCA General Secretary is strengthening NCA’s compliance on anticorruption, complaints handling, GDPR and internal control by creating new positions. The most significant action taken to address the CARs identified in the previous audit is the revision of NCA Complaints Handling Mechanism, in response to NCA’s main institutional donors, the Norwegian Agency for Development Cooperation (Norad) and the Norwegian Ministry of Foreign Affairs (MFA), to simplify the system. There is now one system that allows for anonymous complaints and for any kind of complaint to be submitted. By opening this up, the number of complaints received by HO more than doubled immediately. An Annual Complaints Report will be developed as part of NCA’s annual Anti-Corruption Report. Another change is that whenever NCA receives a complaint, it is reported immediately to NORAD and MFA regardless of the topic.

NCA is developing a new Project Information Management System (PIMS) that aims to streamline the organisations project life cycle in funding acquisition, grant management and project implementation. One of the functions is to strengthen NCA’s monitoring requirements, both for internal control and for external reporting. A project team is based in Norway with a reference team with representatives in all country offices to ensure buy-in and understanding at the programme level. The implementation phase will start after a pilot in 3 countries: Ethiopia, Sudan and Pakistan. All Country Directors received a training on change management and videos explain the logic of the new system. Final roll out is expected from November 2020 onwards. PIMS is also expected to be used as a compliance management tool by mid 2021.

**Work with partner organisations**

NCA is updating procedures for working with partner organisations to guide and monitor that they also comply with the CHS. For partnerships that are likely to last more than two years, a multi-year compulsory MoU is developed. The MoU template is updated to include information requirements, included as “Shared Commitments” in MoU chapter 3. The Partnership Assessment Tool is fully revised, currently being used in pilot countries, and compulsory for all country offices when assessing new and existing partnerships. New

elements added are that potential partners are assessed on how they provide information to rights holders and on how they communicate with rights holders, e.g. information about the organisation, principles, deliveries, expected behaviour of staff, and how they make sure all segments of the community are able to understand and engage.

## 4. Overall performance of the organisation

|   |   |
|---|---|
| <b>Effectiveness of the management system and internal quality assurance and governance</b> | After NCA had put a new Programme Framework (2020-2030) in place, the HO undertook a so-called Fit for Purpose process to assess if the organisational structure set up in the best way to realise its programmatic ambitions. It was not a reorganisation but an adjustment of some positions, roles and decision making induced by a survey undertaken mostly at HO, but also with country teams. The process was just concluded in January. A new position has been created to support and follow up on key quality assurance in the project cycle and partnership assessment in coordination with different departments at HO.  |
| <b>Overall organisational performance in the application of the CHS</b>                     | <p>NCA continues to be strongly committed to implement the CHS in all aspects of its work and is working on doing this as part of the new Sustainability Standards in a more holistic way over the next 10-year Strategic period. NCA has made substantial progress on addressing the weaknesses identified in the Mid Term Audit (2019). This is evident through the significant change in policies and tools such as the Complaints Handling Mechanism and Partner Assessment Tool and the way that this is communicated and guided to the country teams.</p> <p>Three CARs (4.2, 5.3 and 8.2) can be closed in this MA, as NCA demonstrates that it is taking the issues seriously and is systematically addressing it. The CARs have turned into Observations as testing the full effects of the measures will need to be done during onsite programme visits at the next audit. With regards to 4.2, NCA has updated procedures for working with partners to guide and monitor that communication by the partner is accessible and understood by communities. CAR 5.3 has been closed as NCA has fully revised its Complaints System and shows systematic evidence of supporting and monitoring its partners with complaints handling as well as including it in partner assessment and contracts. To address CAR 8.2, NCA has recognized the issue and now works systematically to ensure that staff are introduced to policies that are relevant to them in different, complementary ways. NCA keeps one CAR: 5.6 as it is not possible to find evidence during this Maintenance Audit that communities and people affected by crisis are fully aware of the expected behaviour of NCA or partner staff, including commitments on PSEAH.</p> |

### Average score per commitment

| <b>CHS Commitment</b>  | <b>Average score*</b> |
|--|-----------------------|
| <b>Commitment 1:</b> Humanitarian assistance is appropriate and relevant                                   | 2.8                   |
| <b>Commitment 2:</b> Humanitarian response is effective and timely   | 2.8                   |
| <b>Commitment 3:</b> Humanitarian response strengthens local capacities and avoids negative effects        | 2.4                   |
| <b>Commitment 4:</b> Humanitarian response is based on communication, participation and feedback           | 2.4                   |
| <b>Commitment 5:</b> Complaints are welcomed and addressed   | 2.0                   |
| <b>Commitment 6:</b> Humanitarian response is coordinated and complementary                                | 2.8                   |
| <b>Commitment 7:</b> Humanitarian actors continuously learn and improve                                    | 2.8                   |
| <b>Commitment 8:</b> Staff are supported to do their job effectively, and are treated fairly and equitably | 2.9                   |
| <b>Commitment 9:</b> Resources are managed and used responsibly for their intended purpose                 | 2.7                   |

\*Note: scores are culminative and updated at this audit stage based on the results from previous audits

## 5. Summary of non-conformities

| Corrective Action Requests (CAR) / Weaknesses   | Type  | Close-out due date | Date closed out |
|---|-------|--------------------|-----------------|
| 2018 – 4.2: NCA does not systematically plan for or monitor that information is accessible and understood by all community members, especially vulnerable and marginalised groups.  | Minor | 2021/05/20         | 2020/05/05      |
| 2019 – 5.3: NCA does not ensure that complaints are managed in a timely, fair and appropriate manner that prioritises the safety of the complainant.  | Minor | 2021/05/20         | 2020/05/05      |
| 2018 – 5.6: NCA does not ensure that communities and people affected by crisis are fully aware of the expected behaviour of NCA or partner staff, including commitments on the prevention of sexual exploitation and abuse. | Minor | 2021/05/20         |                 |
| 2019 – 8.2: CAR: NCA does not sufficiently facilitate staff to understand and adhere to updated policies and procedures that are relevant to them.  | Minor | 2020/05/20         | 2020/05/05      |

## 6. Sampling recommendation for next audit

|   |   |
|---|---|
| <b>Sampling rate</b>                                  | As outlined for re-certification.   |
| <b>Specific recommendation for selection of sites</b> | Include also a country programme for onsite visit where NCA self-implements programmes. |

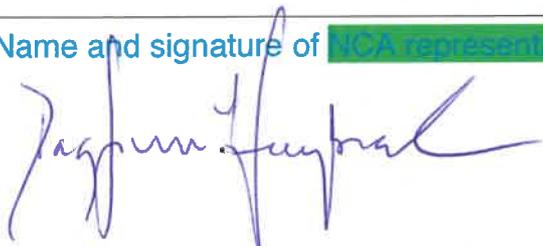
## 7. Lead auditor recommendation

|   |   |
|---|---|
| In our opinion, NCA has implemented 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. |   |
| <b>Name and signature of lead auditor:</b><br><br><br><br>Karin Wierenga   | <b>Date and place:</b><br><br>05 May 2020, Deventer,<br>Netherlands |

## 8. HQAI decision

|   |   |
|---|---|
| <input checked="" type="checkbox"/> Certificate maintained  | <input type="checkbox"/> Certificate reinstated |
| <input type="checkbox"/> Certificate suspended  | <input type="checkbox"/> Certificate withdrawn  |
| Next audit: Re-certification audit before 2021/05/03  |   |
| Name and Signature of HQAI Executive Director:<br><br>Pierre Hauselmann | Date and place:<br>2020-06-04                   |

## 9. Acknowledgement of the report by the organisation

| Space reserved for the organisation   |  |
|---|--|
| Reservations regarding the findings / remarks regarding the behaviour of the audit team:<br><br>If yes, please give details:  | <input type="checkbox"/> yes <input checked="" type="checkbox"/> no  |
| Acknowledgement and Acceptance of Findings:<br>I acknowledge and understand the findings of the audit<br><br>I accept the findings of the audit                                 | <input checked="" type="checkbox"/> yes <input type="checkbox"/> no<br><input checked="" type="checkbox"/> yes <input type="checkbox"/> no |
| Name and signature of <span style="background-color: #90EE90;">NCA representative</span><br> | Date and place:<br>Oslo, June 5 <sup>th</sup> 2020   |

## 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

|          |  |
|----------|--|
| <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. |