



# Third-party quality assurance for groups

POL500 - Quality assurance for groups - 2018-05-19

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<b>POL500 - Quality assurance for groups - 2018-05-19</b>		
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# Third-party quality assurance for groups

## Introduction

### I. The Humanitarian Quality Assurance Initiative

HQAI's objective is to improve the Quality and Accountability of organisations working with people in need through the provision and promotion of meaningful and adapted independent quality assurance. Its services are intended to build capacity in the sector and provide consistent measurable data in the delivery of quality action, thus improving principled, accountable, efficient provision of aid to vulnerable and at-risk populations.

To all its stakeholders, HQAI is an accountable, open and trustworthy partner, which applies the internationally recognised ground rules of auditing that are impartiality, competence, responsibility, openness, confidentiality and responsiveness to complaints. Our policies, procedures and tools for independent quality assurance follow relevant ISO standards requirements.

HQAI has developed robust tools to measure efficiently where an organisation stands in relation to the [Core Humanitarian Standard \(CHS\) on Quality and Accountability](#). Tools related to other standards may be developed in the future.

### II Scope

This policy applies to quality assurance for several organisations that enter into an association and develop a management system that ensures all members of the association or group meet the requirements of HQAI's quality assurance scheme. This is applicable to each HQAI quality assurance service, i.e. benchmarking, independent verification and certification.

### III References

The following referenced documents can usefully complement this document. For dated references, only the edition cited applies. For undated references, the latest edition of the referenced document (including any amendments) applies.

ISO/IEC 17021-1:2005, Conformity assessment - Requirements for bodies providing audit and certification of management systems Part 1: Requirements

ADM 104 - Certification Application Form

ADM300 - Group certification Application Form

ADM301 - Group verification Application Form

ADM302 - Group benchmarking Application Form

POL049: Complaints and Appel procedure

POL114 - Third-party quality assurance policy

## IV Definitions

For the purposes of this document, the definitions provided in POL114 - Third-party quality assurance policy apply. Specific terms for this document are defined below.

Quality assurance scheme	The policies and procedures for third party quality assurance against a specific standard.  <u>Note:</u> at the moment HQAI operates three schemes, benchmarking, independent verification and Certification against the CHS.
Group scheme	The different policies and procedures that apply to a specific group quality assurance scheme and service (e.g. CHS certification).
Group entity	The legal entity that applies for the group scheme and is the holder of the outcome (e.g. a certificate).
Group management	The personnel who manages the group and has to ensure that the members satisfy the requirement of the group scheme, under the responsibility of the group entity.

# Part 1.: The Group minimum responsibilities

## 1.1 Introduction

HQAI Group quality assurance scheme allows several organisations to enter into a partnership and develop jointly a management system that ensures all members of the partnership or group meet the requirements of HQAI's quality assurance schemes. This is applicable to each scheme operated by HQAI i.e. benchmarking, independent verification and certification. Members of the group can publicly claim their belonging to the group, referring to the relevant service, provided the system is implemented and audited. For example, members of a group that would be called "Aid4All group" that is certified for complying with the CHS could use HQAI's certification mark on their web-site and communication, declaring they belong to the HQAI CHS certified Aid4All group.

During evaluation for quality assurance, HQAI auditors inspect the group management system and a sample of the group members. As the costs of the audit can be spread amongst all members, the costs for each individual member are likely to be significantly less than for individual HQAI audits, thereby making quality assurance significantly more accessible to small organisations.

## 1.2 Group Entity

HQAI group quality assurance scheme requires that several organisations join under an umbrella organisation or Group management, managed by a Group Entity.

The access to the group quality assurance shall be limited to groups of small and autonomous organisations, i.e. independent from each other for decision making and management of programmes.

To be included in a group scheme international organisations shall demonstrate that they do not implement programmes in more than 5 countries. International organisations which role is limited to fundraising activities for other members of the group are not submitted to this restriction.

The minimum number of organisations joining in a group scheme is three. The maximum is twenty.

The Group Entity may be :

- the international secretariat of a loose network organisation or a coalition;
- a specific entity created for this purpose, grouping small agencies working in a region/country;
- the management of a consortia leading a project involving a number of organisations<sup>1</sup>;
- an individual;

These are only examples. Flexibility exists to adapt to specific circumstances, as long as the management responsibilities are clearly identified and assumed by the different parties and responsibilities can be clearly and legally attributed.

Management responsibilities will commonly be divided between the Group Entity and the Group Members. The Group Entity will always be responsible for the basic administrative requirements of the scheme and may be responsible for some of the direct management requirements, if so decided by the members of the group.

<sup>1</sup> In this case, the quality assurance would be limited to the project in question

The Group Entity is the entity that applies for group quality assurance and holds any group assurance that is issued (e.g. a certificate). The Group Entity is responsible to HQAI for ensuring that HQAI's programme requirements are met at all sites covered by the group quality assurance scheme. The Group Entity is responsible for:

- communications with HQAI and with Group Members;
- implementing the administrative requirements of the group quality assurance scheme; and
- implementing management and/or monitoring responsibilities at the group level.

### **1.3 Group Members**

The Group Members are responsible for implementing any requirements of group membership. Members of a group do not hold individual quality assurance declarations, but as long as they comply with all the requirements of group membership, their organisation are covered by one such declaration (e.g. a certificate) under the group quality assurance scheme.

When a Group Entity is a membership organisation, such as a network or coalition's international secretariat, membership of the organisation needs not mean membership of the group quality assurance scheme. A member of the network may choose not to join the group quality assurance scheme, or may be removed from it and remain a member of the network or coalition.

### **1.4 Management Responsibility**

It is the responsibility of the Group Entity to ensure that all members comply with the requirements of HQAI's Programme for the specific group quality assurance service.

The principles to which group members shall adhere must be defined in a group policy statement in a way that is consistent with the relevant quality assurance scheme (e.g. CHS). The Group Entity's management structure and responsibilities must be documented. Specifically:

#### **1.4.1 Policy**

The principles to which group members will adhere shall be documented in an appropriate policy and implemented by the group members and managers.

#### **1.4.2 Regulatory Framework**

The group shall have an appropriate legal and regulatory framework.

#### **1.4.3 Group Management Responsibility**

The responsibilities and authority of group management personnel shall be defined and documented. Adequate resources for group management shall be available.

### **1.5 Group Management System**

A set of procedures and other documents, as required by the group quality assurance scheme, must be prepared and implemented.

Administrative and policy requirements that are applicable to the whole group (e.g. management planning and monitoring) may be implemented at the 'group' level or by individual group members.

Requirements that are implemented at the operational level must be implemented by every group member on an individual basis, appropriate to the specific situation. Responsibilities for meeting criteria may not be 'traded' between different members, e.g. with one member very strong regarding one commitment compensating for other members weak in the same area.

The Group entity shall define, document and implement a management system to ensure that group members conform with membership requirements and the group policy. Specifically:

### **1.5.1 Definition and Implementation of the management system**

The group entity shall define and implement a management system which ensures that members conform with the group policy and other membership requirements.

### **1.5.2 Internal audit and review**

The implementation of the management system shall be audited and formally reviewed at least annually through a sampling of Group members.

## **1.6 Membership of the Group**

The Group management shall define the requirements for Group Members.

At a minimum, the requirements shall include a commitment to apply the relevant standard and limit the size of international organisations to a maximum of 5 country programme sites<sup>2</sup>.

The group management shall evaluate the capacity of applicants to meet the membership requirements and exclude those that do not have this capacity. For group certification, compliance with the standard shall be required.

Applicants shall meet the membership requirements. The group management shall define conditions and procedures for expulsion and resignation from the group and explain these to members.

The group management shall maintain a register of members and regularly notify HQAI of changes in membership.

Specifically:

### **1.6.1 Application for membership**

The requirements for membership shall have been defined and applicants shall be evaluated on their ability to meet the requirements.

### **1.6.2 Expulsion from the group**

The conditions under which group members can be expelled shall be defined.

### **1.6.3 Resignation from the group**

The conditions under which group members can resign shall be defined.

### **1.6.4 Register of members**

The group entity shall maintain an up-to-date list of all members.

<sup>2</sup> No international organisation shall be accepted to become member of the group if it works in more than 5 countries.

## 1.7 Monitoring of Group Members

The group management needs to be assured that members of the group are complying with the requirements of the management system and the group membership criteria. The group management shall monitor the members' performance to check compliance with group membership and quality assurance requirements.

The group management shall define and implement procedures to ensure that members of the group conform to the group membership requirements.

Monitoring inspections of members' activities shall be carried out regularly. Planning of monitoring inspections shall be justified according to the specificities of the Group. Non-conformities shall be addressed through the issuance of Corrective Action Requests to the member.

Specifically:

### 1.7.1 Sampling Members of the Group for Monitoring or Audit Inspections

Sampling takes place because it is not practical nor cost effective to examine each individual member during an audit, e.g. because they are too numerous or too dispersed geographically to justify the examination of every one of them in one audit.

At a minimum the sampling must correspond to the next integer of the square root of the number of members. For example, if there are ten members:

$$\sqrt{10} = 3.16 \Rightarrow \text{number of members sampled annually: } 4$$

See PRO114 - Third-party quality assurance procedure - Annex 1 for details on the sampling procedure.

Samples need to cover as much as possible the range of situations in which the members of the group operate and must cover all the members in a five years rotation.

### 1.7.2 Planning of Monitoring or Audit Inspections

The group management shall define how members are selected for monitoring or audit.

### 1.7.3 Performance of Monitoring/Audit Inspections

The group management shall define and implement procedures for monitoring or auditing compliance with the membership requirements.

### 1.7.4 Corrective Action Requests

Where members or managers do not comply with the group membership requirements, 'Corrective Action Requests' shall be issued.

### 1.7.5 Handling of Complaints

The group management shall define procedures to address complaints about members' activities.

## 1.8 Document Control & Record Keeping

Document control shall ensure that only currently valid and authorised versions of documents are available for use, avoiding confusion about which version of which document is correct.

The group management shall establish procedures to control and keep up-to-date all documents that relate to the group management system. These documents shall include internal documents such as the group policy and procedures, and external documents such as legislation, standards, guidelines and codes-of-practice. Key records relating to each group member shall be maintained and available.

Specifically:

### **1.8.1 Control of Group Management System Documentation**

Documents relating to the management of the group shall be available and maintained up-to-date.

### **1.8.2 Control of Member's Records**

Information about members including partnerships, agreements, internal audit and/or monitoring records, project records shall be maintained by the group management.

## **1.9 Costs**

Costs are calculated in a case by case basis, in relation to the size of the group, the size of its members and the complexity of their operations. The Group approach leads to significant savings of resources, allowing small organisations to reach economies of scale.

## Part 2.: Third party audits by HQAI in the group scheme

### 2.9 Compliance and Corrective Action Requests in third party audits

In the third party audits, conducted by HQAI registered lead auditor, each group member in the sample chosen for site visits must be evaluated to ensure compliance with all the requirements of HQAI's scheme as per HQAI POL114 - Third party quality assurance policy.

The members that are selected for a site visit must fully meet HQAI scheme requirements as well as the applicable group management requirements. If that is not the case, the auditor will determine if the Group Entity has detected the problem and taken effective corrective action to ensure the member complies with the requirements. Where this is the case, no action shall be taken. Where this is not the case, or the Group Entity has taken inadequate corrective action, the auditor will raise a corrective action request against the Group Entity describing the non-compliance.

A major corrective action request will be raised by the auditor where there is a failure sufficient in extent in the Group Entity's system that makes the control of members inadequate, or if one or more group members do not comply or there is a significant risk that they will not in the future comply with the requirements of the quality assurance scheme.

The same rules apply for the resolution of Major and Minor corrective actions raised during a third party audit as in HQAI policy for third party quality assurance, POL114.

#### 2.9.1 Sampling and monitoring

As for internal audits, third party audits are based on a sample, the rate of which equals the square root of the number of members for initial audits.

A first sample identifies the number of individual members of the group that shall be visited during the audit. The auditor then selects the identified number of members amongst the membership of the group, ensuring the representativeness of the selection.

A second sample is then applied to identify the number of programmes and projects sites that will be visited for each member. The same sample formula is then applied individually to each selected member.

For example:

If the group counts ten members, four will be chosen as samples (see 1.7.1). Amongst the three identified sampled members:

The first member has ten programmes/projects:

$$\sqrt{10} = 3.16 \Rightarrow \text{number of programmes sampled for this specific member: } 4$$

The second member has twenty programmes/projects:

$$\sqrt{20} = 4.24 \Rightarrow \text{number of programmes sampled for this specific member: } 5$$

The third member has eight programmes/projects

$$\sqrt{8} = 2.82 \Rightarrow \text{number of programmes sampled for this specific member: } 3$$

The fourth member has five programmes/projects

$\sqrt{5} = 2.24 \Rightarrow$  number of programmes sampled for this specific member: 3

The details on the method, sampling rates at different stages of the quality assurance process and what samples to visit are provided in PRO114 - Third-party quality assurance procedure

