# Accountable Now

GLOBAL STANDARDS LOCAL TRUST

**ActionAid International
Independent Review Panel Feedback**

Accountability Report 2015
Review Round April 2017

# ActionAid International
# Feedback from the Independent Review Panel
## Review Round April 2017

Dear Adriano Campolina,

Thank you for submitting your Accountability Report. We, the Independent Review Panel of Accountable Now, appreciate your efforts to continuously strengthen accountability to communities, local partners, supporters, staff, donors, or other key constituencies. Our key focus is on accountability to those you serve. It is against this background that we critically discussed your report and came to the individual assessment below. Before we share this with you, however, we want to highlight a few issues of concern that we found throughout most of the nine reports assessed in the last review round.

## Closing the feedback loop with stakeholders (NGO2, NGO9)

A recent study on 40 international civil society organisations' (CSOs') accountability practices – conducted by the *direct impact group* on behalf of Accountable Now – revealed that only three out of these 40 CSOs responded with an appropriate answer to a complaint test within three weeks.

This is alarming. All Members of Accountable Now should have a fully functioning feedback mechanisms in place. However, when checking your reports we found a consistent lack of reporting filed complaints per type, quantity, and region as well as a total lack of information on how they were resolved. We believe this is not an acceptable level of accountability. CSOs should not only have a mechanism in place but should first be capturing complaints with the appropriate level of detail and then monitoring their resolution and agreeing what actions need to be taken to ensure the same issues do not arise.

Feedback Labs, with whom Accountable Now collaborated on the *People-Powered Accountability* project, also serve as a valuable source of information on how to close feedback loops.

## Collaboration with partners, communities and networks (NGO6, EC7 & SO1)

As part of the 10 Accountability Commitments, Accountable Now Members commit to working in genuine partnership with local communities and partners. With increased globalisation of information, more empowered citizens engage and civic space is challenged, it becomes ever more important to help local communities and partners to thrive. However, we found that coordination with local communities is still an overall weakness area among the Accountability Reports we received. Some

"common" ICSO practices can have intended or unintended consequences on local communities. We would thus like to particularly highlight a lack of contributions to building local capacity and resources. Do you take into account local market conditions and think about working alongside local organisations building their capacity? We suggest that ICSOs should start to consider their impact on the sustainability and independence of local civil society in all their work (such as planning, budgeting, economic impact, etc.).

## Adding to what people do to improve their lives
### (NGO3)

To state the obvious, impact measurement is important. However, many evaluations mentioned in received Accountability Reports focus on collecting relatively large amounts of data on people reached, however, this does not tell us much about the improvement in their lives. Moreover, we should critically ask ourselves: What is the ICSO's credit in this improvement and what positive impact is actually due to the people and beneficiaries themselves?

While we are of course aware that resources are limited, there is clearly no substitute for a robust and honest impact evaluation of our programmes and activities.

## Organisation-specific feedback to ActionAid International:

ActionAid International's ninth accountability report is very good and comprehensive. It has improved from the previous full report and Panel recommendations were clearly taken on board. Lots of visualisation, helpful graphs, and interesting case study boxes make this report reader-friendly.

In terms of **institutional commitment** to accountability, the report provides a very strong institutional and strategic demonstration towards mutual accountability for ActionAid's mission. As also outlined in ActionAid's Accountability Charter and Theory of Change, accountability is mainly understood as being rooted in communities and constantly monitoring the organisation's work to adapt in real time based on gathered evidence on the ground.

The organisation features Membership with Accountable Now – including publishing Accountable Now's new logo and link to their website – on their website on transparency. This is highly appreciated in order for stakeholders to know what the organisation has committed to.

Relevant **evidence** that policies or procedures work well in practice is provided in some areas (e.g. the case of ActionAid Nepal's social audits becoming mandatory for all ICSOs working in Nepal or the new M&E mechanism in place) but can still be further improved in other areas in future reports (e.g. on the resolution of staff complaints or whether appraisals work well in practice).

As for the major **weaknesses** of this report, the Panel would like to see more detail in NGO2 on the nature/origins of complaints by affiliate country and by subject and how they were resolved (as it has previously suggested). It also suggests a stronger focus on LA12 (steady decrease of staff appraisals since 2012), and LA13 (diversity factors of Board and senior leadership beyond gender and ethnic background). These areas are captured in the **Improvement Analysis** which forms the basis for the Interim Report on 2016.
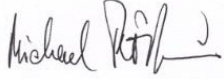
Overall, ActionAid can be commended for **Good Practice** examples in the area of 3.5 (comprehensive table of the cross-functional process for defining the report's content) and NGO5 (7 steps to approve/review the organisation's advocacy positions).

Our intention is that this feedback letter, and any response you may wish to provide, is made publicly available on the Accountable Now website along with your report – as it is the case with all previously reviewed reports. However, should there be errors of fact in the feedback above or in the note below; we would of course wish to correct these before publication. Please share any comments or amendments by 1 July 2017.

If you have any other feedback or comments on our work, please share them with us by sending them to the Accountable Now Secretariat.

Yours sincerely,

| | | | |
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| Mihir Bhatt | Rhonda Chapman | John Clark | Louise James |

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| Jane Kiragu | Nora Lester Murad | Michael Roeskau | Saroeun Soeung |

# Cover Note on ActionAid International's Accountability Report 2015
**Review Round April 2017**

## PROFILE DISCLOSURES

### I. Strategy and Analysis

| 1.1 | *Statement from the most senior decision-maker* |
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| | *Fully addressed* |
| | ActionAid's Chief Executive Adriano Campolina provides a very strong institutional and strategic commitment towards mutual accountability for ActionAid's mission. As also outlined in [ActionAid's Accountability Charter](#) and Theory of Change, accountability is mainly understood being rooted in communities and constantly monitoring the organisation's work to adapt in real time based on gathered evidence on the ground. How does accountability enfold in their human rights based approach? |
| | 2015 was a year of re-strengthening the ActionAid Federation, its financial sustainability and its democratic processes. One example of this is the stronger leadership role of countries that now lead on making management decisions. The new five-year strategy will be launched in early 2017; however, as of April 2016 is not yet published on their website. The Panel looks forward to hearing more on this in future reports. It is positively noted that the five core principles of the organisation's Accountability Charter have been embedded into ActionAid's annual planning and reporting processes for two consecutive years. |
| | Finally, evidence showed ActionAid that its current approach to monitoring and evaluation (M&E) is "not conducive to integrating the views of people living in poverty" into the organisation's programme work. In response, ActionAid initiated a review of its organisational approach to M&E. How impactful and inclusive was the *People's Action to End Poverty* report? Again, the Panel looks forward to being informed on progress on this important issue. |

| II. Organisational Profile | |
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| 2.1 – 2.2 | **_Name of organisation / Primary activities_**<br>_Fully addressed_ |
| 2.3 | **_Operational structure_**<br>_Fully addressed_<br><br>In 2015, ActionAid continued its path towards a more decentralised structure and a more democratic, networked and accountable Federation. A Federation Leadership Team (FLT), international platforms, and delegations were created to devolve power within the organisation. |
| 2.4 – 2.8 | **_Headquarter location / Number of countries / Nature of ownership / Target audience / Scale of organisation_**<br>_Fully addressed_ |
| 2.9 | **_Significant changes_**<br>_Fully addressed_<br><br>As already displayed in 2.3, ActionAid has created a new governance structure with the aim to build a more enabling, networked and accountable Federation. Moreover, severe cuts in government funding have caused reduced income for several ActionAid members. |
| 2.10 | **_Awards received_**<br>_Fully addressed_<br><br>ActionAid can be commended for having won various awards around the world. |
| III. Report Parameters | |
| 3.1 – 3.4 | **_Reporting period / Date of most recent report / Reporting Cycle / Contact person_**<br>_Fully addressed_ |
| 3.5 | **_Reporting process_**<br>_Fully addressed_<br><br>ActionAid is commended for providing a comprehensive overview of the cross-functional process for defining the report's content. The table on page 17 is seen as **Good Practice** for other organisations. However, the Panel would also be interested to know how ActionAid uses the report and Panel feedback to enhance transparency and accountability throughout the |

| | Federation and with other stakeholders. The Panel commends the progress AA has made towards reporting for the federation as a whole but recognizes that standards of reporting will vary across the federation. It would be interesting to learn of steps being taken to strengthen reporting standards (e.g. Are all Accountability Now topics covered by the 60-indicator reporting format referred to? is the quality of reporting a factor in considering adopting an associate as a full affiliate?). |
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| 3.6 | **Report boundary**<br>*Fully addressed* |
| 3.7 | **Specific limitations**<br>*Fully addressed*<br>The report provides an overall summary of the accountability work carried out across the organisation - with some specific examples. The Panel supports ActionAid's constant work towards more consistent practical application of the Accountability Commitments within the Federation. |
| 3.8, 3.10 – 3.12 | **Basis for reporting / Changes in reporting parameters / Reference table**<br>*Fully addressed* |
| **IV. Mission, Values, Governance, and Stakeholder Engagement** | |
| 4.1 | **Governance structure**<br>*Fully addressed*<br>As in previous years, the answer provides a very good and systematically visualised overview of ActionAid International's governance structure and risk management. As follow up of the governance review, the 2013 report mentioned a longitudinal study in one country to identify in regard to a correlation of internationalisation and increased impact. The Panel would be interested in results from this study.<br><br>The 2014 Interim Report highlighted a clear commitment to decentralising ActionAid's governance structure. These restructuring processes were accompanied by reduction of staff in the International Secretariat which is both due to (i) the intention to move to the countries directly as well as to (ii) a decrease in overall income by 4% in comparison to 2013. |

| 4.2 | **Division of power between the governance body and management** |
| | *Fully addressed* |
| | ActionAid differentiates the division of power between the governance body and management in a comprehensive manner. Some information from other indicators is mentioned in this response: independence of Board Directors (4.3), annual International Board review (4.10), or conflict of interests (4.6). It is suggested to not double information in this report but rather keep the report as succinct as possible. |
| 4.3 | **Independence of Board Directors** |
| | *Fully addressed* |
| 4.4 | **Feedback from internal stakeholders** |
| | *Fully addressed* |
| | ActionAid provides a comprehensive and notable set of processes and examples by which internal stakeholders can provide feedback to the International Board. This is also formalized in the Complaints and Response Mechanism Framework and Policy. It is positively noted that all members are required to perform a governance review annually which provides employees with the opportunity to feed into the governance process. |
| 4.5 | **Compensation for members of highest governance body** |
| | *Fully addressed* |
| | Relevant information on key aspects for salary decisions is provided by the organisation. Annex 3 of the report provides further details in this regard. Neither ActionAid's Board members nor Assembly members are compensated. Some Accountable Now Members such as Plan, Restless Development, and World Vision provide very transparent salary overviews of the Senior Leadership Team and ActionAid is encouraged to consider this form of public disclosure. |
| 4.6 | **Conflicts of interests** |
| | *Fully addressed* |
| 4.10 | **Process to support highest governance body's own performance** |
| | *Fully addressed* |

| | The last full report mentioned recommendations from the federation wide governance model review conducted in 2013 by the Hauser Centre. The Panel would have appreciated updates on the implementation in this regard. Moreover, actual outcomes from the Board's self-reflection would be interesting for the reader of this report. |
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| 4.12 | **Social charters, principles or other initiatives to which the organisation subscribes** *Fully addressed* ActionAid describes numerous accountability initiatives it closely relates to at the national and global level besides Accountable Now. It would also be interesting to understand in future reports how ActionAid deals with overlaps and gaps between the various code requirements and how the organisation best compiles information for the various sources. |
| 4.14 – 4.15 | **List of stakeholders / Basis for identification of stakeholders** *Fully addressed* The fact that ActionAid aims to enter long-term partnership agreements (for up to 10 years) on the local level is highly appreciated. Is there evidence that mentioned partnership reviews work well in practice? |

## PERFORMANCE INDICATORS

### I. Programme Effectiveness

| NGO1 | **Involvement of affected stakeholder groups** *Fully addressed* As before, ActionAid demonstrates significant stakeholder engagement in strategic planning, budgeting, programming, monitoring and evaluation. Various tools (e.g. Participatory Review and Reflection Process / PRRP, Reflection-Action Circles, Reflection Action etc.) allow for consultation, active participation and decision-making at all levels – including the community. The last full report mentioned the launch of ActionAid's bi-annual stakeholder expectation surveys and potential improvements resulting from this instrument. The Panel would have been interested to be updated in this regard. |
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| NGO2 | **Mechanisms for feedback and complaints** *(part of interim report 2014)* |
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| | *Addressed* |
| | ActionAid has a [Complaints and Response Mechanism Framework](#) in place. While in 2013, only 17 countries reported to have received and registered complaints; the number of self-reporting country offices increased to 31 in 2015. Since complaint processes is a core aspect of accountability, the Panel is concerned that only two-thirds of AA entities are currently reporting to the Secretariat on this indicator and would like to know the steps being taken to ensure 100% reportage. Moreover, the reference to AA-UK having "robust systems to monitor, capture and resolve complaints" implies that other AA components use different approaches. Unless there are reasonably similar approaches, aggregating country data to provide a global record means little. The Panel would also be interested to learn more about the substance and origin of the complaints (previous full reports have provided fuller information) and, most important, what action was taken to address / resolve the mentioned 1,419 complaints. It is suggested to look at Oxfam GB's example on how to capture learnings from feedback received (see [Oxfam's 2013-2014 report, pages 58-60](#)). Moreover, the majority of mentioned complaints is aggregated in the category "other" and more clarity would be helpful. |
| NGO3 | **Programme monitoring, evaluation and learning** |
| | *Fully addressed* |
| | ActionAid has a comprehensive global monitoring framework in place which measures impact and progress against the organisation's current strategy. Challenges with regard to the comparability and utility of global indicators at country level are openly expressed. In this regard, the Evaluation and Accountability Global Leaders (EAGLEs) network seems a great way to ensure better consistency across the federation. Are external and internal evaluations openly published at ActionAid's websites? |
| | Given that M&E approaches vary across the Federation, it would be interesting to know what use is made of the strongest approaches (especially with regard to participation of communities) in raising overall standards and for sharing as good practice with other CSOs. |
| | ActionAid Brazil is finally praised for integrating gender-related power shits into their M&E approach. |

| NGO4 | **_Gender and diversity_** _(part of interim report 2014)_ |
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| | _Fully addressed_ |
| | Promoting equality and celebrating diversity are integral principles of the organisation's strategy. ActionAid can be commended for progress in improving overall data collection tools and capacity systems for systematic data disaggregation by various diversity factors. The current focus to improve the inclusion of persons with disabilities is exemplified via interesting country examples. |
| NGO5 | **_Advocacy positions and public awareness campaigns_** _(part of interim report 2014)_ |
| | _Fully addressed_ |
| | Campaigns are deeply rooted in ActionAid's strategy and mission as well as always based on research and analysis by ActionAid. Thorough approval and review processes ensure broad stakeholder engagement (as exemplified in the grassroots example in Cambodia on research on a sugar plant company). The 7 steps described are seen as **Good Practice** in this regard. In particular, the review process can lead to corrective actions. With regard to the campaign from ActionAid Ireland in Kenya: Was Irish Aid a donor for the AA Ireland campaign (and hence made a field visit to Kenya as part of their monitoring) or was it reviewing AA-Ireland overall? If Irish Aid raised a concern that clearly needed a correction, why isn't this listed as a complaint as such? |
| | In a conversation with the Panel in 2015, ActionAid mentioned a new global Policy and Campaigns Team whose responsibility is to determine policy positions with more input from national level, and ensure coherence in the policy positions across the federation. Victims themselves should be front runners and advocate for themselves. The Panel would appreciate a progress update in the next report. |
| NGO6 | **_Coordination with other actors_** |
| | _Fully addressed_ |
| | As in previous reports, ActionAid's appraisal stage (prior to any programmes) demonstrates a thorough analysis of activities of other stakeholders in terms of possible coordination and cooperation that leverage each other's impact. Moreover, the organisation's Partnership Policy and Practice Framework ensures that partners enhance their own "accountability, openness and transparency to |

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| | poor and excluded people". Practical evidence of this fact would be interesting in future reports. |
| **II. Financial Management** | |
| NGO7 | ***Resource allocation***<br><br>*Fully addressed*<br><br>ActionAid publishes its annual audited accounts on its website. Several tools – including the revised Resource Allocation Framework (RAF) and Financial Management Framework – ensure effective resource allocation. The Panel suggests to look at ARTICLE 19's financial management suite "Access Dimensions" which allows all finance staff across the organisation to view all accounting and budgeting information in real time for all offices, instead of relying on a quarterly reporting system. In light of the current funding gap: Is the new Strategic Plan actually able to be implemented?<br><br>The Panel continues to look forward to the launch of the global Contract Management System (CMS) in 2016 which is planned to enable ActionAid to effectively track and manage compliance and accountability for restricted funds. |
| NGO8 | ***Sources of Funding***<br><br>*Fully addressed* |
| **III. Environmental Management** | |
| EN16 | ***Greenhouse gas emissions of operations***<br><br>*Fully addressed*<br><br>It is positively noted that ActionAid expanded its reach in 2015 with regard to carbon footprint collection.<br><br>While overall emissions were reduced by 6% since 2013, there was a slight increase (1.5%) in 2015 compared to 2014 figures. This is due to increased engagement at policy level (e.g. SDG discussions) and to different methodologies countries have used for data collection and analysis.<br><br>ActionAid also developed its own carbon calculation tool, flight calculator and paper calculator to calculate its own emission which will be operational from 2016. The Panel looks forward to updates and progress in this regard. Overall, ActionAid is again commended for reporting a detailed breakdown of direct and indirect greenhouse gas emissions by country offices. |

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| EN18 | **Initiatives to reduce emissions of operations**<br><br>*Fully addressed*<br><br>ActionAid offices have sustainability focal persons in place, called "Green Champions". Other interesting initiatives to reduce emissions (e.g. international travel and meeting guidelines, voluntary off-setting, energy-saving lighting, vehicle-sharing, eco modes, public transport, joint field visits, video conferencing etc.) are provided from the International Secretariat as well as country level. |
| EN26 | **Initiatives to mitigate environmental impact of activities and services**<br><br>*Addressed*<br><br>ActionAid does not yet follow a formal procedure for conducting environmental impact assessments of programmes and projects across the organisation. It is suggested to look at Plan International's Global Environmental Strategy for Operations with the aim to strengthen Plan's global approach to reducing the environmental impact of Plan's operating activities and outlines clear goals (see: Plan's Accountability Report 2013/14, page 33).<br><br>Is there any progress of how environmental impact is included in ActionAid's Value for Money approach (mentioned in the 2013 report)? |
| **IV. Human Resource Management** | |
| LA1 | **Size and composition of workforce**<br><br>*Fully addressed*<br><br>ActionAid comprehensively reports on the total number of staff divided into gender, location, responsibility levels, clusters of professions and work contracts including volunteers. |
| EC7 | **Procedure for local hiring**<br><br>*Fully addressed*<br><br>ActionAid is fully committed to hiring local people for local jobs. In 2015, the number of expatriate contracts was 25 out of 3,044 staff, thus less than 1%. The principle of "localisation" ensures that long-term staff expatriates contracts are cut off after seven years in one location. ActionAid's whole approach is seen as **Good Practice**. However, a reflection on local capacity building would be appreciated in the next report. |

| LA10 | **Workforce training** |
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|      | *Addressed* |
|      | ActionAid's learning ecosystem is linked to the 70:20:10 approach, i.e. 70% of development consists of on-the-job learning; supported by 20% learning from others, and 10% structured learning. The organisation's Global HR Standards) recommend that 1% of the total staff annual budget is put aside for training. An interesting chart provides information on the number of staff trained in the different regions around the world. What gives you evidence that training is effective? |
| LA12 | **Global talent management** |
|      | *Addressed* |
|      | ActionAid shows interesting figures of staff promotions in 2015. However, the number of staff having completed performance management reviews decreased from 93% (reported in 2012) to 77% (2013) to 63% (2015). It would be good to understand why this number decreased so significantly and how ActionAid plans to improve numbers again. Is there evidence that appraisals work well in practice? |
| LA13 | **Diversity of workforce and governance bodies** *(part of interim report 2014)* |
|      | *Addressed* |
|      | Both the International Board and senior leadership show a relatively balanced gender balance; although the aim is to increase female leadership from 46% (2015) to 50% going forward. |
|      | Beyond gender, the 2013 report mentioned that it was decided that staff diversity data at the International Secretariat level will be collected from 2017 onwards; diversity data across the federation will have to follow at a later stage. The Panel would be interested to know why it is so challenging to gather data on staff diversity. |
| NGO9 | **Mechanisms to raise grievances** |
|      | *Addressed* |
|      | ActionAid had a successful anti-sexual harassment campaign in 2015. The organisation can be commended for a broad range of meaningful policies for staff to raise grievances to the management – including a Whistle Blower Policy, Complaints and Response Mechanism Framework, Anti-sexual harassment policy etc. In 2015, 38 countries reported having received and registered complaints. Is |

| | there data or evidence that these concerns raised were resolved satisfactorily? |
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| **V. Responsible Management of Impacts on Society** | |
| SO1 | ***Managing your impact on local communities***<br><br>*Fully addressed*<br><br>Similarly to the 2013 report, the Panel appreciates ActionAid's systematic reflections about the effect of its work at community level. The provisions of a federation-wide Country Entry and Exit Policy (2012) are expansively laid out in this report and the full policy can be accessed via the intranet. Further information on the impact on communities (e.g. how ActionAid ensures human rights and child protection) is described in the ActionAid Child Protection Policy.<br><br>As asked previously, ActionAid should demonstrate what kind of feedback it received from communities to show that policies work well in practice. |
| SO3 | ***Anti-corruption practices***<br><br>*Addressed*<br><br>ActionAid finalised a systematic Anti-Corruption and Anti-Bribery Policy in 2014 which is available on their intranet. Does this entail a systematic risk analysis on where ActionAid's work could be exposed to corruption, bribery, fraud or conflicts of interest?<br><br>Establishing a quarterly fraud and corruption declaration process for all countries, sharing of relevant training material with countries, and initiating a community of practice have supported awareness raising in this area. The Panel refers ActionAid to Jeremy Sandbrook's blog post which outlines the significant role of leadership in fighting corruption in the sector. |
| SO4 | ***Actions taken in response of corruption incidents*** *(part of interim report 2014)*<br><br>*Fully addressed*<br><br>ActionAid can be commended for very openly addressing issues of fraud. The total recorded losses through fraud in 2015 were €44,413, involving 15 cases in 12 countries (compared to €45,196 in 2014, €169,092 in 2013, €50,700 in 2012 and €11,500 in 2011). A majority of these amounts are deemed recoverable and management actions are underway to recover them. Four staff members were dismissed due to fraud-related behaviour. |

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| | What are structural lessons learnt from these cases and preventive actions taken? In particular since the annual losses between 2012 and 2015 are of similar monetary value which seems unusual. |
| VI. Ethical Fundraising | |
| PR6 | **_Ethical fundraising and marketing communications_**<br><br>_Addressed_<br><br>ActionAid states to have a multitude of fundraising and marketing policies in place that serve as a minimum standard only. At the national level, senior management and national Boards ensure compliance with the diverse regulations in different jurisdictions. ActionAid International audits compliance every two years. Moreover, all funds are used in line with the Resource Allocation Framework and Programme Led Funding Planning (PLFP) was a priority project in 2015.<br><br>Please report the number of complaints for breaches of fundraising regulations and actions taken – where possible, e.g. ActionAid UK – in the next full report. |