CHILDFUND AUSTRALIA ACCOUNTABLE NOW REPORT 2021-22

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CEO Statement

I am pleased to present ChildFund Australia's 2021-22 Interim Accountability Report. Accountability continues to be an essential element of our work with children and communities and core to good development practice.

Over the last year ChildFund Australia has set an ambitious new Strategic Plan for 2022-25, which includes a significant change agenda that seeks to refocus may facets of our operations. At the same time, our purpose and commitment to deliver for vulnerable children and families remains unchanged.

Our new strategy strengthens our commitment to accountability, and we have made an explicit commitment to localisation and power shifting. ChildFund Australia will prioritise working in ways that embed local partnerships and shift power and resources to local actors, which in turn will contribute to the evolution of a more equal international development system. We will focus on the voices of local partners, especially youth led organisations and networks. We are deeply committed to this process.

Our Strategic Plan also reflects our plans to expand and diversify the approaches we offer for public giving. We will do this with a focus on fairness and equity, whilst meeting the changing expectations of the sector and our supporters and communities we work with. This will include a transition from child sponsorship to a more relevant and sustainable regular giving product. We will diversify the channels through which donors can engage with ChildFund Australia, with particular attention given to our regular and single giving opportunities and our digital channels.

This report provides an overview of significant organisational changes over the past year and includes an update of our progress against the three areas identified by the Independent Panel for improvement: inclusivity, human rights, women's rights and gender equality, responsible stewardship for the environment and main likes/dislikes from stakeholders and organisation's response.

I would like to thank Accountable Now and the Independent Review Panel in advance for their time and feedback on this report. We value your thoughtful and material feedback and will continue to use this process as an opportunity for internal reflection and continued strengthening of our accountability framework.

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Margaret Sheehan CEO, ChildFund Australia

Significant Organisational Changes

The world has faced significant disruption and upheaval over the past few years and these changes continue to affect the children and families we work with. As an organisation, ChildFund Australia contends with this rapid rate of change by adapting and embracing innovation. The reporting period presented a host of new challenges for our organisation, but also new opportunities. A summary of significant organisational changes from the last reporting year can be found below.

Governance: ChildFund Australia welcomed three new members to its Board: Lyndsey Rice, Nancy Tchou, and Shantanu Paul. We welcome their diverse experience and rich contribution to the organisation. More information on the expertise of our Board members can be found <u>here.</u>

In their feedback, the Independent Panel highlighted their interest in Board member continuity and term limits. ChildFund Australia's Constitution mandates the term limit for is four years and Directors having served two consecutive four-year terms must wait for one year before seeking reelection.

Strategy: ChildFund Australia's Strategic Directions 2020-2021 ended in June 2022, as they had extended to allow time for the development of a new strategy. Our Strategic Plan 2022-25 was approved by the Board in March 2022. The Plan reflects the contribution of colleagues from across the organisation and our local partners. The development and approval of the Plan was coordinated by a Strategic Planning Coordination Committee and involved extensive consultation. Our new strategic plan is ambitious and identifies five pillars:

- 1. Localisation and Partnerships
- 2. Programs for Targeted Impact
- 3. Impact for Children in the Pacific
- 4. 'Fit for Future' Organisation
- 5. Flagship Programs to expand impact.

At Country Office level, the Country Alignment Papers were finalised in 2022. These plans represent another key element of our strategic planning process and outline how Country Offices will operationalise the Strategic Plan 2022-25.

Theory of Change: ChildFund Australia revised our Theory of Change with a focus on prioritising factors that will enable future success and effective development outcomes; 1) enabling, empowering and protecting children, 2) advancing localisation and partnerships and 3) sustainable for fit for future organisation. Our Theory of Change can be found <u>here</u>.

Transition from sponsorship: A Taskforce was convened to coordinate ChildFund Australia's approach to transition away from child sponsorship and oversee the introduction of new and diverse approaches for giving.

Myanmar Country Office: Due to the unrest, instability and insecurity following the military takeover in February 2021, ChildFund Myanmar suspended development programs for the period April to December 2021. Program activities were pivoted during this time, with two small-scale initiatives that responded to the deepening COVID-19 crisis implemented through local partners and funded by ChildFund Korea and ChildFund Germany. Programming re-commenced in December 2021 and will continue into FY2022-23.

Emergency Response: In the reporting period, we have given greater priority to our work in response to emergencies, whilst shifting our strategic approach. ChildFund Australia's efforts in emergency response are now concentrated on providing long-term support for a small number of protracted crises. In 2021-22, ChildFund Australia partnered with ChildFund Alliance member, WeWorld to provide support for the emergency responses in Ukraine and Afghanistan.

People and Culture: As observed across many organisations in Australia and around the world, ChildFund Australia experienced a substantial turnover in staff. New, talented, and motivated staff have bought a fresh outlook to their roles, however resignations and vacancies had a significant impact and created many challenges, such as delays in audits, end of year reporting, program implementation and support to Country Offices.

We welcomed a new Chief Development Officer, Corinne Habel, in August 2021. Corinne brings a wealth of experience in business development and fundraising in diverse not-for-profit sectors. She is a dynamic and compelling leader within the organisation and leads our fundraising, communications, and supporter relations teams.

ChildFund Australia also began the implementation of our Diversity, Equality and Inclusion (DEI) strategy, to support the implementation of our <u>Organisational Inclusion Policy</u>. This has included establishing benchmarks, building inclusive practices into recruitment end employment, and providing workshops on diversity and inclusion that explore privilege, and allyship.

Return to the Office: It was great to welcome ChildFund Australia colleagues back to the office from November 2021. Staff are now working from the office in a hybrid working-from-home arrangement, with three days in the office and two days from home. This approach provides flexibility and is reported by staff to be valued. Our Country Offices have taken differing approaches, led by their Senior Management Teams and context in-country. In Laos, Myanmar and Vietnam for example, the team returned to the office in May 2022 and staff only work from home in exceptional circumstances.

Response to Improvement Analysis

C3: Inclusivity, human rights, women's rights, and gender equality

Feedback

In future reports, the Panel would like to see more evidence of gender equality being better built in the change model, including more thinking of what a gender transformative approach entails. Gender transformative approaches go far beyond addressing gender blindness.

ChildFund Australia engaged a consultant in 2019 to complete an independent assessment of our Gender Equality Policy, and the degree to which it was being implemented and the ongoing quality of the policy and our practices. In 2020, ChildFund Australia underwent a similar exercise in relation to our Disability Inclusion Policy. Building on the findings and recommendations of these assessments, ChildFund Australia has continued to strengthen our commitment and expertise in Gender Equality, Disability and Social Inclusion (GEDSI). This commitment is reflected in our 2022-2025 Strategic Plan, which dedicates the organisation to 'improve program effectiveness by becoming a GEDSI- responsive organisation' and to 'implement targeted and integrated inclusive programs to empower all marginalised groups'. This commitment will be realised through the implementation of our *Action Plan for Gender Equality, Disability and Social Inclusion (GEDSI)* Integration in Programming 2022 – 2025. The Action Plan includes a target to ensure at least 10-20% of projects will have at least one outcome linked to transforming social norms around gender or disability, and systems change towards gender equality and inclusion by 2025.

In FY2021-22 ChildFund Australia continued to lay the foundations for success through target setting and capacity building. This has included a Key Performance Indicator (KPI) on gender and inclusion in our reporting against the Strategic Plan, *Strong institutional understanding and commitment to GEDSI principles demonstrated across all programming and partnerships.* This KPI will be reported annually and provides an opportunity to monitor our progress.

A GEDSI Advisor started at ChildFund Australia's Sydney Officer in August 2021. The GEDSI Advisor worked closely with the Monitoring, Evaluation and Learning (MEL) team to revise the MEL Sector toolkits, integrating a stronger focus on inclusion indicators, particularly to strengthen the collection of qualitative data to capture changes in attitude. An example is the indicator 'Positive change in perceptions of parents, caregivers, and community members towards children's rights to education, including equal rights of girls and children with disabilities. This will enable ChildFund Australia and partners to monitor whether family and community focused activities within education projects are changing attitudes regarding the value of educating girls and children with disabilities.

Following the revision of our Design and Appraisal process in 2021, ChildFund Australia has introduced a requirement for all projects to undergo a Theory of Change (ToC) workshop, which requires close collaboration between Technical Advisors in the Sydney and Country Offices. The introduction of this workshop has enabled the GEDSI Advisor to provide input from the inception of a project, prompting the collection of GEDSI data early in the design process and providing an opportunity to identify gaps in information. In practice, this has ensured that there is greater interrogation of how social norms and practices influence outcomes feeding into the project design. The GEDSI Advisor works with Country Office teams to encourage reflection and refinement of project activities, to ensure there is stronger messaging around gender equality and disability and social inclusion, and adaptation of activities to enable equitable participation and outcomes.

To complement project support from the GEDSI Advisor, several Country Offices have appointed GEDSI Focal Points to ensure greater attention and support to GEDSI integration in programming. Program staff from several country offices have also participated in GEDSI training as part of their ongoing capacity development. Under the Regional Partner Capacity Strengthening project, colleagues from local implementing partners have also participated in GEDSI trainings and mentoring sessions based on self-assessments of their knowledge and skills in this area. These trainings were an opportunity to explore GEDSI concepts within a particular cultural context and identify solutions, including to internal challenges. One internal challenge identified was that technical staff often work within sector-based siloes. Therefore, Country Offices have been encouraged to establish cross-sectoral GEDSI-focused *reflection sessions* to enable Education, Child Protection, Disaster Risk Reduction (DRR) and Health staff to identify common challenges and solutions and share learnings.

ChildFund Cambodia, Vietnam and Laos began working with the GEDSI Advisor to produce a *Learning Paper* in FY2022-23, which documents their learnings, success factors and challenges around designing and implementing disability inclusion targeted programming. The learnings derive from projects focused on in-school interventions, engaging parents of children with disabilities and awareness raising for parents of children without disability in fostering inclusion and breaking down the barriers, stigma, and discrimination that is often associated with disability. This *Learning Paper* will support these and other ChildFund Country Offices as they design future disability inclusion targeted or twin-track projects and contribute to building a body of good practice across sectors and Country Offices.

The GEDSI Advisor has also collaborated with the Communications team to develop a simple guide for GEDSI in communications, focused on core principles that inform how we communicate on gender, disability and ethnicity. In July, an interactive training session was held with communications teams across the Country Offices to socialise the guide and discuss what this means for the language and images we use. Following this session, the Vietnam team conducted a follow up session on GEDSI and communications during their all-staff retreat, and plan to translate their own guidance for communications in Vietnamese.

ChildFund Australia continues to participate in the ChildFund Alliance Gender and ACFID Gender Communities of Practice, as well as the Australian Disability and Development in Consortium's (ADDC) Disability Focal Points Network.

C5: Responsible stewardship for the environment

Feedback

Publishing or sharing in future reports the environmental impacts might be a good way of helping the organisation in holding itself accountable. Is there a system in place to measure CO2 emissions for example? How are the country offices involved in the implementation of the Environmental Sustainability Policy?

ChildFund Australia's 2022-2025 Strategic Plan includes a commitment to embed environmental sustainability and to 'monitor and reduce the carbon footprint and impact of our operations in Australia and overseas'. This will include reducing energy and materials consumption, waste, and travel.

In 2021 ChildFund Australia made a commitment to:

- Participate in a carbon offsetting scheme
- Monitor our carbon footprint annually
- Reduce direct carbon emissions through a 30% reduction in air travel
- Increase awareness around positive environmental practices that can be adapted in our day-today work

In 2021 a Green Audit was completed by 180 Degrees Consulting. They assessed the environmental impact of our activities and provided recommendations on how to reduce our annual carbon emissions. All recommendations were put into action, including reducing our CO₂ emissions and waste, increasing awareness amongst staff and stakeholders, and offsetting all our carbon emissions through a partnership with GreenFleet.

Over the last three years we have reduced our carbon footprint in the Sydney Office from 384 tons of CO₂ per year to 129.2 tons. International and domestic travel was significantly impacted by the COVID-19 pandemic and subsequent border closures. Reducing our carbon footprint due to travel will continue to be a key area of focus. In the reporting period, ChildFund Australia also replaced the office lights in the Sydney Office with LED and made other changes within the office to reduce material waste, such as updating the printer default setting to double-sided printing.

Our annual carbon footprint was reported for the first time in our 2021-22 Annual Report.



Two areas in which ChildFund has reduced our carbon footprint

Country Offices have likewise undertaken various measures to reduce their carbon footprint, including downsizing offices in Vietnam and closing several small field offices in Cambodia. Country Offices are also prioritising reducing travel, where possible.

A substantial review and update of our Environmental Management Guidelines was completed in October 2021. These guidelines are available to Country Office colleagues and Technical Advisors in Sydney and are designed to help staff understand and apply the Environmental Sustainability Policy in our development projects. They provide ideas on how to incorporate the policy's key commitments, so that the protection and promotion of the environment is addressed in all our programs and operations. They also contain the updated templates for Environmental Impact Assessments and Environmental Management Plans.

All new projects designed in the reporting period completed an initial environmental assessment as part of the project proposal. Where significant risks were identified in the project proposal, the completion of an Environmental Management Plan was mandatory.

E3: Main likes/dislikes from stakeholders and organisation's response

Feedback

In addition, the Panel would suggest you explore a range of options for addressing the partner frustration on compliance. Reworking partnership tools is a great start, would it be worth influencing upwards towards donors too? The Panel also invites ChildFund Australia to include more critical feedback about the organisation's work from people and communities.

At community level: ChildFund Australia has several avenues through which project participants can provide feedback, notably during monitoring field trips undertaken by ChildFund staff, through consultations and reflections, during mid-term reviews, and at the evaluation stage. Feedback from participants is informs project design.

In Timor-Leste, participants gave feedback on the Inspiring Youth Changemakers project, such as highlighting a lack of regular meetings with participants and the lack of accessible public transport which affected their ability to participate in project activities. Participants also gave feedback that there was a lack of space to practice the skills they developed through the project. The project team responded to the feedback very positively, welcoming new ideas and using these to inform the project design.

In the Solomon Islands, in our Building Safe Environments for Children and Young people in the Pacific project, participants noted that the training was enjoyable and provided vital information for young people. However, participants shared that they felt the training should be longer for children with disabilities and phones should be provided to participants so they can practice the online safety skills learned in the training program. This feedback informed the design of Phase 3 of the project: ensuring that project assets (SwipeSafe phones) are available and usable for all trainings; ensuring that the trainings are as hands-on and practical as possible with facilitators utilising all activities in the curriculum with a focus on the use of phones for activities; additional needs of children with disability when planning workshops, to ensure their needs are taken into account.

At partner level: There are three primary ways through which partners can provide feedback to ChildFund Australia: an annual partner effectiveness survey; annual partner reflection meetings; and regular project meetings. During the quarterly/six-monthly regular project meetings, both parties discuss the progress of projects and any challenges. Project management issues are addressed by the project team. Partners are invited to complete an annual partner effectiveness survey. The findings are discussed with the partner organisation during the partner reflection meeting.

In the reporting period, capacity strengthening activities have been widely appreciated by local partners and have been reported as providing them additional credibility to pursue other funding, outside of ChildFund Australia. ChildFund has introduced the practice of signing Partner Agreements for three-year periods, to demonstrate our commitment to long-term partnerships.

One partner raised the issue of challenges with ChildFund Australia's reporting format. This issue was promptly addressed by working closely with the local partner and agreeing a more pragmatic reporting method, in this instance the partner providing a verbal update to ChildFund Australia Program Advisor, who then supports the preparation of the written report. In another example, ChildFund Australia provided support to the partner by working with their colleagues to clarify the report questions and expectations and provided guidance on completing each section.

In addition, to address partner frustration on compliance, ChildFund Australia also engaged in advocacy with our key institutional donors, particularly the Australian Department of Foreign Affairs and Trade (DFAT). ChildFund Australia participants in roundtable sessions to inform the Australia NGO Co-operation Program (ANCP) evaluation and shared the challenges and frustrations of our downstream partners related to compliance. Going forward, ChildFund Australia will be represented on the Committee for Development Cooperation (CDC), which is a joint DFAT/NGO advisory and consultative body made up of members from the Australian NGO community and the department and will use this as an avenue for advocacy. Furthermore, ChildFund Australia has planned a review of its partner engagement policy and procedures to ensure these align with our commitment to localisation.

At donor level: ChildFund collaborated with donors over the reporting period, notably DFAT and the EU. A common area of feedback was GEDSI, with suggestions to consider a greater focus on barriers to inclusion in future design and evaluation processes and to include sex-disaggregation and other categories of disaggregation of target groups at indicator level. ChildFund Australia documents and reviews all donor feedback, noting our internal response and progress to incorporate feedback into our programming and processes.

ChildFund Australia is a member of the Australian Council for International Development (ACFID) and a signatory to the ACFID Code of Conduct. The Code requires members to meet high standards of corporate governance, public accountability and financial management.

For more information, or to lodge a complaint, please contact ACFID on main@acfid.asn.au or email ChildFund Australia's Supporter Relations team on info@childfund.org.au.



ChildFund Australia is also a member of Accountable Now, a platform of international civil society organisations that strive to be transparent, responsive to stakeholders, and focused on delivering impact. As a member ChildFund has signed 12 globally-agreed-upon Accountability Commitments and will report annually to an Independent Review Panel on our economic, environmental and social performance according to the Accountable Now reporting standards.

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