

Islamic Relief Deutschland

People In Aid Audit

AUDITOR'S STATEMENT

To be included in IRD's *People In Aid Report, January 2009*

Date of audit visit to IRD's Cologne office: 3rd November 2008

Interviewed: Dr. Sanaa Aschour, Institutional Development Manager
Mahmoud Almadhoun, Human Resources Specialist
Tarek Abdelalem, Director

I received a copy of IRD's report from People In Aid in early July 2008. I submitted my preliminary observations to IRD at the end of July and received their responses in September 2008. An audit visit to IRD's office in Cologne was arranged for 3/4th November 2008.

Following the audit visit, I received a revised version of the report on 20th January 2009, and further documentation on 10th February. I have also reviewed the detailed analysis of the social audit survey, IRD's Employment Handbook, a revised Action Plan and forms for staff appraisals and training needs assessment.

Islamic Relief's Operations

(as described in the report)

"IRD is one family member of Islamic Relief Worldwide (IRW) which has offices in 36 countries. IRD undertakes fundraising as well as project implementation activities. IRD implements its own projects in countries like Egypt, Lebanon, Pakistan, Sudan, Palestine, Ethiopia, Chechnya, Bangladesh and Afghanistan. IRD uses Islamic Relief field offices Africa, Middle East and Asia in implementing its projects. For this, IRD coordinates with IRW which acts as central body and umbrella. The managing director of IRD reports directly to fund raising executive manager based in Islamic Relief Worldwide in Birmingham, UK. The relationships between IRD and all other field offices are mainly mediated by IRW in UK.

"In the beginning of each year, all field offices send their projects to IRW. When the projects are reviewed by the Projects Appraisal Committee at IRW, they present the approved projects to fundraising partners including IRD. IRD choose the projects which it would like to raise fund for and implement throughout the year. IRD directly supervises and follows up on the project implementation."

Islamic Relief Deutschland does not have staff employed by IRD working on operational programmes outside Germany. The organisation is committed to implementing the People In Aid Code of Good Practice in its own HR management policies and practices. It is on this understanding that it has applied for the People In Aid Kitemark.

THE PURPOSE AND BASIS FOR THIS AUDIT

The main purpose of my audit is to form an opinion as to whether IRD's *People In Aid Report 2009* gives an accurate and balanced view of the organisation's performance against the People In Aid Code of Good Practice, and whether there is adequate evidence to support the claims made.

However, I am unable to provide any assurance on the implementation of the People In Aid Code in programmes and projects that IRD supports and manages, since all operations are mediated through and managed by Islamic Relief Worldwide and its regional offices in countries where it delivers humanitarian relief.

The decision to award the People In Aid Kitemark to IRD can be based on its current report and this audit. However, I would suggest that in order to satisfy the audit principle of 'completeness', future awards by PIA should be conditional on a review of the HR policies, systems and practices in humanitarian relief operations IRD has supported or an audited report of IRW's HR policies, systems and practices in humanitarian relief operations.

In evaluating the content of this, or any other, PIA Code report I am seeking to apply the three principle tests set out in AccountAbility's AA1000AS Assurance Standard.

As they relate to the People In Aid Code, these are:

- **Materiality** – Is the information relevant to staff's concerns and interests and will it help them make informed judgments about IRD's performance in relation to managing and supporting their work?
- **Completeness** – Does the report provide sufficient evidence that IRD has understood and reported on all its significant social and economic impacts in relation to the seven People In Aid Code Principles?
- **Responsiveness** – Does the report demonstrate IRD's responses and commitment to improving its performance?

AUDITOR'S REMIT, INDEPENDENCE AND QUALIFICATIONS

I have been appointed by People In Aid to carry out audits of the reports submitted by member agencies on their performance against the People In Aid Code of Good Practice in the Management and Support of Aid Personnel. The auditor is otherwise independent of both People In Aid and the member agencies and their stakeholders.

Richard Evans, the auditor, the Director of ethics etc.... is a Certified Member of the Institute of Social and Ethical AccountAbility. He has extensive experience of development (Intermediate Technology Development Group, Traidcraft, Christian Aid, Irish Agency for Personal Service Overseas) and has been involved in developing the AccountAbility AA1000 standards and the GRI Sustainability Reporting Guidelines.

AUDIT METHOD

As well as examining and testing the claims made in the report I also evaluate the scope of the people management policies in place and the systems for implementing these policies.

The aim of the audit process is to help managers reflect on their people management and support systems, to give them an external opinion as to whether they are in compliance with the People In Aid Code Principles and to provide an independent report to People In Aid, on the basis of which it decides whether to award the organization the Kite Mark verifying compliance with the People In Aid Code.

The audit of the report was limited to examining the report, reviewing supporting documentation and interviewing the senior management regarding the claims made and the management systems that support staff in Germany. It does not include any examination of HR policies and practices relating to staff employed by Islamic Relief Worldwide or its regional and national offices in field operations. I have not interviewed other staff and have not visited any of the field operations IRD supports.

FINDINGS

People management policies

Senior management had drawn up a Matrix of current performance against PIA Code of Good Practice. I can confirm that all seven People In Aid Code Principles are covered by up-to-date written policies to a level that they consider 'satisfactory' or better. I endorse their view. Although the office is small IRD has agreed that Consultation and Communication (Principle 4), Learning Training and Development (Principle 6) and Health and Safety (Principle 7) all need further work, and this is covered in the Action Plan.

Employee engagement survey

A critical part of the People In Aid social audit process, or any social audit process, is to find out what employees think about the HR policies and the performance of the organisation. IRD based its survey questionnaire on the model developed by People In Aid with member agencies.

The analysis of the results of the survey was carried out by People In Aid. I am satisfied that the survey was carried out and analysed properly. The report contains an analysis of survey responses set out under the People In Aid Code Principles. Actions already taken or necessary have been set out in detail and I am satisfied that IRD has demonstrated its commitment to the People In Aid Code and to implementing improvements in its policies and practices.

MY OPINION

On the basis of the report, the documents I examined and my interviews with senior managers in Cologne, I believe the report presents a *complete* and honest view of IRD's implementation of the People In Aid Code of Good Practice in relation to the staff directly employed in Germany.

Further, I believe it has heard and addressed the issues which are of concern (*material*) to employees and has clearly set out how it will *respond* to shortcomings in its practice and to their needs.

RECOMMENDATIONS

In the course of my audit in Germany, I recommended that all staff receive an annual appraisal and that IRD complete its staff training needs assessment, both in line with stated HR policy. This was agreed and the People In Aid Kitemark award will be subject to confirmation that these actions have been completed.

I am also recommending that in future IRD should provide a review of the HR policies, systems and practices in humanitarian relief operations it has supported, or reference, as evidence of implementation of the People In Aid Code in the humanitarian relief operations it supports, an audited report of Islamic Relief Worldwide's HR policies, systems and practices in humanitarian relief operations.

Richard Evans

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Alnwick, 30th March 2009