

## **Auditor's Statement for British Red Cross**

based on the British Red Cross People In Aid Audit Report, June 2005  
and Auditor's visit to British Red Cross, London, 2-3 June 2005

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### **Auditor's remit, independence and qualifications**

The auditor has 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 Member of the Institute of Social and Ethical AccountAbility. He has extensive experience of development (Intermediate Technology Development Group and Traidcraft) and has been involved in developing AccountAbility's AA1000 Reporting Framework and Assurance Standards and the GRI Sustainability Reporting Guidelines.

### **Assurance standard**

The report and the management systems and accounts have been audited in accordance with the Institute of Social and Ethical AccountAbility's AA1000 Assurance Standard. The Guiding Principles of the AA1000 Assurance Standard are:

- that the report is **complete**,
- that the information it contains is **material** to the interests and concerns of the organisation's stakeholders and
- that the organisation has stated how it is **responding** to the issues raised.

### **Audit objective**

The objective of the audit is to provide People In Aid, and British Red Cross, with assurance that the report submitted

- i. covers all significant material aspects of British Red Cross's performance in relation to the People In Aid Code,
- ii. in a fair and balanced presentation,
- iii. that there is evidence to support the statements made,
- iv. that the organisation is responding to issues identified,
- v. and that, overall, its operations are consistent with the requirements of the People In Aid Code.

### **Scope of the report – organisation structure**

British Red Cross is a member of the International Red Cross and Red Crescent Movement. Apart from raising funds in the UK and contributing substantially to the budgets of the International Movement, it also plays a key role in recruiting and providing international staff or 'delegates' and consultants, to work on programmes managed by the International Committee of the Red Cross (ICRC) and the International Federation of Red Cross and Red Crescent Societies (Federation). BRCS also supports longer term development and post emergency programmes through direct collaboration with a number of Red Cross/ Red Crescent Societies in other countries by providing so-called 'bi-lateral delegates'.

Potential delegates are selected by BRCS for inclusion on a 'delegates register' and different emergency rosters. As and when international assignments come up which fit with BRCS strategy, and for which it has suitable candidates on its delegate registers and the necessary funding, names are forwarded to the ICRC or to the Federation Secretariat, both of which are based in Geneva. Other national societies may also submit candidates and the final appointments are made in Geneva, in consultation with the relevant Federation delegation and host Red Cross national society.

Delegates who are selected for Federation or ICRC assignments are contracted to BRCS, which is responsible for: their terms and conditions of employment; salary and benefits; insurance; health checks; induction; welfare; travel to and from the posting; briefings and training. However, the management of delegates on field assignments, including all other HR related matters: direction; supervision; appraisal; grievance and disciplinary procedures; and safety, is the responsibility of the in-country ICRC or Federation delegation.

This division of responsibilities limits BRCS's ability to influence management styles and consistency in the field and its ability to directly monitor practice and the experience of delegates on assignment. This clearly has implications for how the concept of compliance with the People In Aid Code is to be understood.

In the case of 'bi-lateral delegates', BRCS is responsible for recruitment directly for specific assignments and for all aspects of personnel management prior to, during and following an assignment.

For the purposes of this audit I have considered whether the report :

- a. is **complete** with respect to all those areas where BRCS is directly responsible for the management of international and bi-lateral delegates and its own UK based staff;
- b. has endeavoured to obtain and understand the views of staff in relation to its performance against the People In Aid Code Principles and included these as **material** issues;
- c. includes BRCS' **responses** to issues and concerns raised by its staff.

**Scope of the report – background events and timing**

This report has undergone a longer than usual period of 'gestation'. The audit visit in June 2005, during which I reviewed a draft report and interviewed staff about the management systems and evidence for claims made in the report was very productive and satisfied the audit criteria for materiality and responsiveness. It also highlighted a number of areas where, on the evidence managers presented about the systems and practices of the HR department, additional and more detailed information could be included in the report. In the interests of completeness, I recommended that this be done.

The final report includes BRCS' responses to all these recommendations and I appreciate the considerable amount of work this has involved. The resulting report fully meets the audit criteria for completeness and will prove to be a valuable template for guiding future personnel management policy and practice in BRCS.

The substantial delay in my completing the process by producing this audit opinion and statement was the result of a number of unforeseen factors. Firstly, while I received the final report in June 2006, I was unable to give it my attention due to pressure of other work until now – for which delay I apologise. Secondly, the time intervening between June 2005 and June 2006 was particularly busy for the staff responsible for producing the report. The challenges of organisational change, BRCS moving its office at the end of 2004, staff turnover in the department, and the demands of their 'day job' responsibilities in relation to a high number of major emergencies, have been described in *Context and Challenges* on page 17 of the report. I fully acknowledge that finalising a report like this is less important than responding to the human tragedy of emergencies BRCS had been involved in and want to take the opportunity to express my admiration for the staff who managed to complete the work that always was 'in progress' alongside their other commitments.

**Basis of auditor's opinion**

The audit is based on the People In Aid Report 2005 submitted to the auditor, interviews with relevant managers in the organisation and an examination of management systems and data relevant to the People In Aid Code of Good Practice. It did not include visits to field offices or interviews with aid and development personnel other than managers in the head office. However, it did involve reviewing the process and examining the results of the various surveys of, and engagements with, BRCS stakeholders described in the report.

During my visit to British Red Cross I had detailed discussions with Tusa Clark, manager responsible for the People In Aid process and report and International Training and Development Co-ordinator, and Leanne Taylor, Head of International Personnel and Training Department.

## Auditor's Opinion

**Completeness:** On the basis of the work I carried out I am satisfied that British Red Cross has considered all aspects of its personnel policies, practices and performance in relation to the Principles of the People In Aid Code. The report covers not only areas of HR management for which BRCS is contractually responsible but also refers to relevant policies and practices of the ICRC and the Federation. On this basis I am satisfied that the report is complete.

**Materiality:** British Red Cross carried out detailed delegate opinion surveys, based on the PiA Audit Manual guidelines in 2003 and 2004. In addition surveys were carried out for Emergency Response Units and Field Assessment and Coordination Teams. Further stakeholder input was derived from records of regular consultations and from interviews IAD and IAPDD staff from London conducted with field based staff during their travels.

I have reviewed the responses and satisfied myself that all the key issues have been reported and interpreted fairly. I am satisfied that the surveys have addressed issues material to the interests of employees who responded to the surveys. While the responses to surveys, apart from the delegates list, were low, I accepted that it was reasonable to extrapolate key issues from the responses generated.

**Responsiveness:** Management responses have been identified for each Code Principal based on the findings of the employee surveys and the examination of management policies, their communication and implementation.

**The People In Aid Audit Report 2005 provides a reliable and fair account of British Red Cross's performance against the People In Aid Code. On this basis, in my opinion, British Red Cross operates in accordance with the People In Aid Code of Good Practice in the management and support of its personnel.**

## Additional Comments

The importance of the work of the International Red Cross Movement and of its National Red Cross and Red Crescent Societies needs no endorsement from me. The contribution BRCS makes to this work and to the development of the Movement is considerable and, if it is possible, I would welcome future reports from BRCS providing more information in the introduction to the report about the scale of its contribution to the work of the International Movement.

I have no doubt, from my audit, that BRCS has a well resourced and highly organised HR department. I am particularly impressed, given the structures of the International Movement and the way responsibilities for people working in

emergency, crisis and longer term development programmes are divided between different entities within the Movement, with the efforts made by BRCS to promote high standards of welfare and management of personnel even where BRCS has no direct contractual responsibility.

It was clear from my visit and the information in the report that British Red Cross has made considerable progress in developing its HR management functions and policies since the last report and in working towards more consistent implementation and monitoring. However, several issues emerged in the surveys where significant numbers of staff either did not fully understand the policies or stated there was a lack of transparency in their implementation. In part, these gaps arise because different parts of the international organisation are responsible for their implementation and there is a lack of consistency in the way they are applied or communicated. The same issues were identified in the previous audit: recruitment; clarity and transparency about reward; training and career development; performance appraisals and security and evacuation procedures. Some progress has been made by BRCS in getting recognition of these issues in Geneva and in programme delegations and the report has defined actions and targets for encouraging the adoption of systems that will achieve greater consistency and better protection of the interests of delegates.

There are two issues relating to BRCS' communication with delegates assigned to the field that have been identified in the report and require immediate and focussed attention: induction; and communication with delegates on assignment. IAD identified inconsistencies in ensuring that new delegates receive a full Basic Training Course before deployment and that all delegates receive adequate briefing and induction before a new mission. It is essential that delegates and accompanying families, consultants and local bilateral staff understand the mandate and principles of operation of the Red Cross and the cultural context and particular risks inherent in the location and nature of the mission they are assigned to.

However, induction is only the beginning of a relationship with delegates in the field. Evidence from 'aid personnel' working in many organisations underlines the importance of maintaining continued personal communication throughout their mission. There is anecdotal evidence in the report that some delegates receive little feedback from London in spite of the requirement that they submit reports, updates and briefings to the relevant desk. The quality of management in the field is usually outside BRCS' control and may in some instances be less than delegates expect. Lack of response from desk officers or departments in London will not only increase delegates' frustration and sense of isolation but may result in problems getting out of hand and potential risks not being identified.

I believe BRCS has recognised these and other issues that have arisen during the course of the audit. I welcome the detailed work that has been put into developing the action plan to address issues arising from the report. However, this is an ambitious plan. British Red Cross has stated that it has

the resources within its HR functions to deliver these goals and the report has named the managers who will be responsible for implementing most of the action points. However, this will only be possible with if the plan is supported by all operational departments and incorporated in their own strategic planning and with regular involvement and monitoring by senior management in the organisation.

I am grateful to British Red Cross, and particularly Tusa Clark, for the care demonstrated in preparing the report and for the co-operation of the organisation throughout my investigation.

Richard Evans

*ethics etc...*

6<sup>th</sup> November 2006