Grant Recipient Handbook

Leave No Girl Behind Window

August 2018

Contents

1. Introduction

1.1 Purpose of this Handbook

Congratulations on being awarded funding through the Leave No Girl Behind (LNGB) Window of the UK's Department for International Development (DFID) Girls' Education Challenge (GEC).

As a funding recipient ("Recipient") you are ultimately responsible for your project's success and for ensuring that the agreed milestones and results are delivered on time and according to the approved budget.

The GEC Fund Manager (FM) has prepared this Grant Recipient Handbook ("Handbook") to communicate the expectations and reporting requirements that the Recipient needs to fulfil during the life of your GEC Accountable Grant Arrangement/Contract ("the project"). It also explains the engagement and support the Recipient should expect from the FM and the GEC Evaluation Manager.

> **DFID has approved all contents in this Handbook and expects that the Recipient adheres to all directives and procedures contained within the document. The Handbook is the governing document for all GEC-Leave No Girl Behind (GEC-LNGB) projects.**

1.2 Contents

This Handbook is divided into 7 main sections, with additional Appendices:

1. **Introduction**

2. **Roles in the implementation of the Accountable Grant Arrangement/Contract:** Outlining the roles of the Recipient, the FM, the GEC Evaluation Manager and DFID in the implementation of the Accountable Grant Arrangement/Contract ("the project"). The anticipated support from the FM team, provided from the UK and in-country, is described in this section.

3. **Project monitoring and reporting:** This section describes the Recipient's technical and financial monitoring and reporting obligations, which include a requirement to report on the progress of GEC activities and on lessons learned during implementation. Information is also provided on FM monitoring of GEC-LNGB projects.

4. **Project impact evaluation**: Each Recipient funded through the GEC is required to commission a project-level evaluation. It is imperative that the results and outcomes of projects are captured. This section describes the evaluation process and introduces the Monitoring Evaluation and Learning (MEL) framework which each project will be required to complete.

5. **Learning Strategy:** This section outlines the FM's lesson learning approach and the role of the Recipient in supporting this wider strategy. It includes information in relation to dissemination and peer learning.

6. **Finance and contract management:** Includes information on the financial information Recipients need to supply in order for the FM to release grant funds. Continuing budget management is also described.

7. **Other policies:** Includes a range of policies with which Recipients are expected to comply, including the International Aid Transparency Initiative (IATI) standard as well as employment, procurement, child safeguarding and organisational safeguarding and other systems and procedures required for GEC-LNGB projects.

8. **Appendices table:** Additional guidance and templates referenced in the Handbook can be found in a separate set of Appendices.

If the Recipient has any questions or comments on the content of this Handbook, they are invited to submit them in writing to the FM.

The FM may issue new versions of this Handbook over the lifetime of the GEC. Should this occur, the Recipient will be given advance notification.

Similarly, over the lifetime of the GEC, the FM may issue additional guidance and procedures. These are generally listed in the Appendices to this Handbook, although this may not be an exhaustive list at any point in time. Recipients are expected to incorporate the guidance and comply with all procedures.

This Handbook should be read in conjunction with the accompanying Accountable Grant Arrangement (AGA)[1], AGA variations and related Appendices.

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[1] Payments to commercial organisations will be through a Contract. Where this Handbook refers to an "Accountable Grant Arrangement" this should be understood in the case of for-profit Recipients to be your GEC contract. Similarly, all references to "grants" should be understood to refer to GEC Funding amounts in relation to the relevant for-profit Recipient's GEC contract.

2. Roles in the implementation of the Accountable Grant Arrangement

The Accountable Grant Arrangement (AGA) governing each Girls' Education Challenge (GEC) project is an agreement between the Recipient and Department for International Development (DFID), signed by the GEC Fund Manager (FM) as an agent for DFID.

This section outlines the roles and responsibilities of relevant parties for the implementation of the AGA. This is not an exhaustive list. All parties may need to take on additional responsibilities as the GEC programme progresses. Any such changes will be communicated in writing.

2.1 The Recipient

2.1.1. Recipient's responsibilities

The Recipient has the ultimate responsibility to implement the AGA and to achieve the project outcomes. As it does so, the Recipient has a number of obligations to the FM. These are specified in the AGA or Contract, including the Special Conditions and will include (but are not limited to):

- To submit all reports and supplementary information described in sections 3, 4, 6 and/or set out in the Special Conditions with accurate information and no later than the specified deadlines.

- To update the FM on any changes to project plans, partners, contact information or any other factors that might impact on the project and achieving the expected results.

- To cooperate fully during site visits undertaken by DFID, the FM and the Evaluation Manager and provide all information requested. This cooperation should extend to facilitating contact with stakeholders and project beneficiaries for the purpose of conducting primary research and verifying claims.

- To identify the effects (impacts) of the project through an independently commissioned evaluation. Projects must arrange for (and cooperate with) independent project evaluators. All projects are required to commission a baseline, and subsequent evaluations (see sections Commissioning the evaluation 4.4 and Logframe 4.7) which will include a robust and independent evaluation of the project from an external provider (section Evaluation requirements 4.1).

The FM is committed to minimising any negative effects that may arise due to GEC funded interventions and we are fully committed to being a child-safe fund. For the FM this means:

- Implementing a comprehensive child safeguarding policy covering all of GEC staff and contractors and outlining our commitments to keeping children safe (from violence, exploitation, abuse and neglect) that come into contact with any staff or contractor from the FM or any GEC funded activity.

- Being confident that all GEC funded organisations share our commitment to keeping children safe and that they put in place safeguards to make sure their organisations are safe and that activities are well thought through such that children are not put at risk and where possible address protection risks such as school violence. The FM has articulated 12 minimum standards that all projects are expected to achieve from the start of the project. These can be found in Annex 4 of the FM's child safeguarding policy.

- Ensuring that GEC projects have policies and procedures in place to safeguard staff and contractors, particularly from sexual exploitation, harassment and abuse.

- Acting swiftly on all protection concerns that reach the FM.

In order to deliver on this commitment to keeping children safe, the FM has identified three inter-related dimensions to child safeguarding (see box below) that all GEC funded projects are expected to understand and implement as appropriate.

Box 1: Terminology

Organisational child safeguarding: a commitment to protect children from violence and exploitation perpetrated by staff and contractors within an organisation, by putting in place policies and processes to guide employee behaviour.

Child protection activity/programming: a specific activity that aims to prevent or respond to a child protection concern such as abuse or exploitation experienced by a child.

Do No Harm: an understanding that development interventions are part of the local dynamic and that actions and activities can have negative as well as positive impact.

Safeguarding of staff and contractors: a commitment to safeguarding staff, consultants, volunteers and others engaged in implementing and evaluating GEC projects, particularly from sexual exploitation, harassment and abuse.

Details of the FM's expectations in relation to organisational safeguarding and Do No Harm are set out in sections 7.11 and 7.12 of this Handbook. The FM places a strong emphasis on projects' capacity to mitigate any potential risk to children's wellbeing within their project activities, and actively monitors Recipient capacity with regard to child protection and safeguarding.

Protection of young women (18+ years)

The FM recognises that in some instances Recipients may work with girls who are older than 17 and would therefore be classed as young women rather than children and would not be covered by either international or national child rights legislation. However, these young women face many similar challenges to adolescent girls, including being vulnerable to different forms of gender-based violence (GBV) such as sexual abuse, intimate partner violence, transactional sex, forced marriage and others. In these circumstances projects are

expected to be aware of risks that these young women may face and ensure their interventions do not put them, or other adults at risk engaged through the project, at undue risk and that identified risks are mitigated to the extent possible.

Gender equality and social inclusion

- DFID is committed to ensuring that highly marginalised girls benefit from the GEC and that Recipients carefully consider the design of interventions to ensure their inclusion in education. As well as the gendered factors that may lead to educational marginalisation, Recipients should consider and address other social and economic factors that can contribute to different groups of girls being excluded from accessing learning opportunities.

- Regarding marginalisation, all recipients are expected to consistently use the terminology of characteristics and barriers when discussing educational marginalisation as well as disaggregating data by age, sex, disability and other characteristics/ sub groups wherever possible to provide clarity on what is working for who within their projects. Recipients should also have clear learning and transition pathways for relevant sub groups.

All Recipients must reflect a gender equality and social inclusion approach in their project design, implementation, monitoring and evaluation. A set of minimum standards expected by the FM is detailed in Box 2 below. GEC project's adherence to the GESI minimum standards will be tracked throughout the monitoring and evaluation cycles.

Through bi-annual and annual monitoring processes, projects are required to:

- report on their adherence to GESI minimum standards in their annual reports; and

- complete a GESI self-assessment tool (in collaboration with FM technical monitors) through bi-annual monitoring mechanisms to reflect how well the project is applying the principles of the GESI minimum standards at the output level. This tool will be shared in the forthcoming Monitoring, Evaluation and Learning (MEL) Guidance[2].

At each evaluation point, the FM seeks to understand the project's approach to GESI and how this has been integrated into project design. Projects' external evaluators should provide a GESI assessment of the project and the Recipient will be expected to provide their own analysis also.[3]

Educational marginalisation

The GEC has a clear objective of understanding and addressing various forms of educational marginalisation of girls. A GEC educational marginalisation framework has been developed in response to the challenge of understanding the layers of complexity when talking about intersectionality within marginalisation (see Appendix J – Gender equality and social inclusion guidance).

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[2] MEL Guidance will be issued to recipients following the signing of the grant agreements.
[3] Information on commissioning the Evaluation is provided in Section 4.2

Box 2: GEC GESI Minimum Standards

1. Culture and Capacity
1.1 The project is resourced with staff, partners and contractors who have appropriate gender and social inclusion expertise.

2. Analysis
2.1 A gender and social inclusion analysis of the context is conducted and used to inform the project's design and Theory of Change.

3. Data
3.1 Sex, age and disability disaggregated data is collected and analysed at baseline and subsequent evaluation points. Disability data differentiates between the type and severity of disability of beneficiaries.
3.2 Monitoring and evaluation reporting differentiate girls from a variety of sub groups.

4. Indicators
4.1 Project logframes include gender-sensitive and disability-focused quantitative and qualitative indicators.

5. Do No Harm
5.1 Do no Harm, child and staff safeguarding and risk analyses are informed by a gender and social inclusion lens

6. Accountability
6.1 Projects are able to articulate their monitoring response to drop out. This should include beneficiary tracking to capture who is dropping out, reasons why, and any follow-up support provided.
6.2 Quarterly and annual reporting documents progress towards meeting GESI sensitive project planning and implementation.

Revision March 2018

2.2 The GEC Fund Manager

2.2.1. Responsibilities of the Fund Manager

PwC, in alliance with Nathan Associates Ltd, Social Development Direct Ltd and FHI 360, has been appointed by DFID as the Fund Manager (FM) for the GEC.

While the AGA is entered into between DFID and the Recipient, the FM signs the agreement as an 'agent' for DFID. The FM performs the duties that fall under their responsibilities as FM solely in their capacity as agent for DFID.

The FM is responsible for managing the GEC and monitoring all projects funded by GEC. The FM's responsibilities include:

- Ongoing management of Recipients' AGAs, including adherence to all Special Conditions, the contents of this Handbook and Recipients' Full Proposal Application (or, in the case of for-profit Recipients, their Partnership Proposal)

- Confirming that Recipients have well designed monitoring, evaluation and learning (MEL) frameworks, including methodologies to collect systematic baseline data, track and report progress against approved targets and collect data for subsequent evaluation points, and that these plans are followed

- Monitoring the progress of each project towards the achievement of their logframe targets through review of Recipient's own monitoring and reporting, documentation and site visits[4], to include checking and informing DFID about the extent to which each Recipient:

    o Maintains their focus on delivering their project specific contribution to the GEC-LNGB programme outcome ("[number] of highly marginalised girls in [country] engaged in education, achieving learning outcomes and preparing to transition into a further stage of learning/training/employment") and in doing so:

        ▪ Addresses the key barriers that marginalised girls face in order to access/ re-enter education and achieve learning outcomes

        ▪ Lays the foundations for targeted adolescent girls to transition beyond the project to education, training or employment

        ▪ Brings about transformative and lasting change in the lives of marginalised girls, their families and communities and achieves additional impacts at the levels of the school, the community and the

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[4] Recipients can expect to receive regular monitoring visits throughout the lifecycle of the project. These visits will usually be conducted by the in-country team (Portfolio Manager, Technical Monitor and Financial Monitor) but on occasion other Fund Manager team members may wish to visit. Monitors will alert Recipients each quarter regarding activities they wish to observe and project staff they wish to speak to. Requests will always be made in advance and agreed with Recipients.

system in line with project Sustainability Plans (please see Appendix N for Guidance on Completing a Sustainability plan).

- Progresses in line with project specific logframe targets, outputs, workplan and results chain as described in their Full Proposal application; the Special Conditions or other appendices to the AGA; and inception phase design documents (including logframe)

- Delivers value for money in terms of economy, equity, efficiency and effectiveness.

- Reviewing and assessing Recipients' monitoring data provided as evidence of progress against the workplan and the project-specific logframe targets. This includes the evidence put forward as the trigger for disbursement of results-based payments

- Reviewing Recipients' Requests for Funds and any supporting evidence, in order to approve and release grant funds to Recipients

- Approving and releasing grant funds to Recipients, including funds to be released on a payment by results basis (if applicable)

- Providing technical support to Recipients as appropriate to facilitate optimum design, implementation and impact. See section on Support to Recipients 2.2.3 on the type of technical support that the FM can provide to Recipients

- Submitting regular progress reports to DFID on behalf of the GEC including:

  - Reports aggregating output and outcome progress against indicators from the portfolio of GEC-funded projects based on information received from Recipients

  - Reports on the progress of all GEC-LNGB projects and any issues that might require DFID's attention

  - Reports on the financial status of all GEC-LNGB projects

- During the implementation period, working with Recipients to find practical solutions as issues arise. This could include the flexing of project plans, mobilisation of technical assistance or approved budget realignment in order to allow more efficient ways of delivering the expected outputs of the project (see section Revising budgets 6.4.3)

- Implementing a regular monitoring schedule to support the early identification of delays and other problems that may hold back progress

- Organising and facilitating six-monthly Review and Adaptation Meetings (RAMs) with each project, to discuss progress towards intermediate and high level outcomes and to consider requests for budget adjustments and programme adaptations which diverge from the original design or require an adjustment between budget lines

- Facilitating adaptations to project workplans and/or budgets, following discussion

- Supporting DFID in the design of a Learning framework and dissemination of the learning thereafter.

2.2.2. The GEC Fund Manager team

The FM's resources include a central team, based in the UK and working closely with DFID and a global network of regional and country teams, based in the countries where GEC projects are being implemented (or close to these). Within this team, each Recipient will have a designated, named Portfolio Manager as their primary point of contact. An escalation process is in place should Recipients not feel that issues/concerns have been addressed satisfactorily by their Portfolio Manager, see section Escalation policy 7.7.

2.2.3. Support to Recipients

Through ongoing communication with Recipients, the review of periodic reports and site visits, the FM can support the early identification of delays and other problems that may affect project progress. The Recipient's allocated Portfolio Manager, Finance Monitor and Technical Monitor will raise questions and prompt discussions which may lead to projects' requesting amendments to their workplan or budget, and/or to the mobilisation of technical assistance from a range of experts. The FM supports adaptive project management and may approve logframe amendments and/or budget revisions at specific review points.

2.3. UK Department for International Development

The GEC is a DFID funded programme and as such, DFID may be involved in any element of the programme or communicate with Recipients at any time. That being said, the FM is the agent for DFID for providing information and support to Recipients. Any guidance that DFID may offer, therefore, will usually be channelled through the FM and Recipients should direct their questions or requests for support to their Portfolio Manager in the first instance.

Projects are intended to complement the UK Government's existing work in the respective country. As such, each Portfolio Manager will report regularly on project progress to the relevant DFID country office. The DFID country Education Adviser may be in contact with projects directly.

The FM and GEC Evaluation Manager will submit regular reports to DFID regarding the progress of projects. Likewise, the Portfolio Managers will report information to the UK DFID GEC team.

3 Project monitoring and reporting

3.1 Overview

This section describes the Recipient's technical monitoring and reporting obligations, which include a requirement to report on the progress of GEC activities and on lessons learned during implementation. Information is also provided on the FM's overall monitoring approach of GEC projects. Information about financial monitoring and management is set out in Section 6.

3.2 Recipient reporting and monitoring

3.2.1 Recipient Monitoring

Grant Recipients are responsible for monitoring their own projects and as such are expected to put in place robust internal monitoring systems to track and report on:

- Activities and outputs against the agreed workplan

- Expenditure against the agreed budget

- Compliance with GEC policies and standards, and any Special Conditions

- Levels of and management of risk

- Quality of implementation demonstrating confidence in their ToC.

- Lessons learned

Recipients are required to set out their plans for monitoring each of their project outputs in the appropriate section of their MEL framework, guidance for which will be provided by the Fund Manager[5]. This plan should include internal systems to flag and respond to any delays and issues arising during implementation. The Evaluation requirements for GEC-LNGB projects are set out in Section 4 of this document.

As a result of their monitoring, Recipients can request and propose adaptations to their workplan and budget, including adjustments to their Intermediate Outcomes, if their findings show that the originally planned activities and Outputs are not yielding the anticipated results. The forum for these discussions will normally be the six-monthly Review and Adaptation meetings organised in-country by the relevant Portfolio Manager. High level outcomes are fixed and cannot be adjusted during the project.

3.2.2 Data collection

The emphasis on project level and wider GEC programme level monitoring requires that Recipients collect, store and report on a wide range of data. Therefore, it is expected that the

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[5] The GEC-LNGB MEL Guidance will be provided by the FM at the AGA stage.

Recipient implements an appropriate data collection and verification strategy embedded within a suitable system.

In order to fulfil DFID management information requirements, Recipients should demonstrate a readiness to coordinate and complement data collection approaches with those of the FM, if requested. This may include a variety of information about the project intervention, for example, the numbers of textbooks distributed, or information about the project beneficiaries, such as the numbers of girls with disabilities as well as the type and severity of their disability (further information on data collection will be provided in the GEC-LNGB MEL Guidance).

At the outset, all projects should establish the requirements for parental consent on data collection from children or collation of data about children (this should also be included in the Recipient's Child Safeguarding Policy). Generally, children may be the direct subjects of monitoring only if permission is obtained from the parent or legal guardian, unless there is a clear and justifiable requirement to waive parental consent. Age-appropriate informed voluntary consent processes should be developed by the project team, based on reasonable assumptions about comprehension for the ages of children they intend to involve in the research. Separate assents could be used for different age ranges (e.g. 10-15 years, and 16-19 years of age).

Recipients are responsible for managing the performance of project partners and therefore ensuring that all systems and processes used for monitoring and recording performance are robust and provide a clear audit trail of evidence. This will provide assurance to DFID and the FM that the project is being delivered in accordance with the AGA. The Recipient should maintain documentary evidence (preferably electronic) centrally. Evidence requirements are dependent on the type of intervention and should be agreed with the FM. However, it is important that key information is gathered from the point of engagement through to the realisation of the final benefits by the target group.

The Recipient is accountable for ensuring that its project partners are aware of the monitoring requirements, and that clear systems are in place to ensure full alignment across the project.

Documents and data should be properly organised /collated, maintained in good condition, secure (including individual data protection), controlled and easy to access for audit and review purposes throughout the lifetime of the contract.

3.2.3 Recipient reporting

Project reporting is done on a quarterly and annual basis. Three Quarterly Progress Reports and one Annual Report are required for each year of the project. These written reports are the formal statement of progress on the project and should confirm the content of the regular discussion between the Recipient and the in-country Fund Manager teams. These reports are very important because each one is the formal marker of progress against which the Recipient's Request for Funds (submitted at the same time) is considered for payment. See Section 6 for further detail on financial management in GEC.

It is important to note that the reporting function is not only about showing progress against the project plan. DFID and the FM acknowledge that some projects may not roll out exactly as planned and that, given their complexity, the nature of their operational environment and the barriers they are seeking to address, adaptation may be necessary in order to achieve the outcomes. In such cases, the 6 monthly Review and Adaptation meetings provide an opportunity to discuss what is working and what is not, and to make changes to the workplan in order to build on the project strengths and mitigate against its weaknesses. Project reporting also provides an important audit trail of the project's implementation, from which lessons can be drawn and experiences shared.

All Recipient reports must be submitted in English and will normally be submitted to the FM via the Fund Management System (FMS) – see Section 3.6 for further detail.

3.2.4 Quarterly reporting

There are two key quarterly reporting templates (in addition to financial reporting as set out in Section 5), templates for which will be provided by the FM once the AGAs are signed (update: expected July 2018).

i) Projects are required to maintain a **Quarterly Workplan Tracker**, which serves as a communication tool between the Recipient and the FM. Based on the overall project workplan agreed at inception, and linked to the project logframe, the tracker will provide up-to-date information on the:

- status of activity delivery towards each output
- effect and impact of any delay to implementation of activities towards each output
- monitoring carried out by the Recipient
- findings from the Recipient's monitoring for each output
- lessons learned from implementation during the quarter.

The Recipient updates the tracker as activities are completed. At quarter end, or at any time during the quarter, the Recipient enters information on how it has monitored each output, the key monitoring findings and any proposed adaptations. The tracker should be fully updated for each quarter by the **end of Month 1 of the subsequent quarter** at the latest.

Information from this tracker informs the FM's assessment of project progress for each quarter.

ii) Projects are required to submit **Quarterly Progress Reports** which include the following sections (template to be provided by the FM):

- An overall summary of the quarter

- Compliance checklist

- Notification of new/changed risks

- Child safeguarding and protection checkpoint

- Update on fulfilling Special Conditions

- Lessons learned

- Learning and dissemination undertaken

- Additional management information as required

These quarterly reports are required by the **end of Month 1 of the subsequent quarter**.

3.2.5 Annual reporting

The Recipient is required to submit an **Annual Report, one month after the end of each year of implementation**. The format for this is similar to the Quarterly Progress Report with additional space for a summary of progress over the entirety of the previous year as well as a number of supplementary sections including on value for money provided, project sustainability and updated Sustainability Plan, and an update on the special conditions included in the Recipient's AGA.

The annual report also includes a section on adherence to policies such as child safeguarding and International Aid Transparency Initiative (IATI). The template for the annual report will be provided at a later date.

The financial part of the Annual Report submitted via the FMS will be as per the Quarterly Progress Reports. In addition, a Project Asset Register will also be submitted at this time. Please note that annual audited accounts are also an annual submission requirement and are due six months after the Recipient's financial year-end.

3.2.6 Project Completion Report (final Annual Report)

A project **Completion Report** should be compiled by the Recipient and **submitted one month after the project end date,** as set out in the AGA. A project Completion Report establishes a record of project achievements against the project's original outcomes and outputs as stated in the project logframe. This report helps assess impact and draws out conclusions and lessons learned that may be valuable to others, including those designing new initiatives with similar characteristics. The project Completion Report should refer back to the findings at baseline and provide an assessment of the changes that have taken place and how sustainable they are.

The format of the project Completion Report will include comment and analysis on aspects such as innovation, sustainability, wider impacts and additionality. The project Completion Report should not be confused with the externally commissioned Project Impact Evaluation report, although it may include some of the same information. The externally commissioned Endline Evaluation Report, discussed in Section 4, will help Recipients to complete their project Completion Report.

The submission and acceptance of the project Completion Report will be the basis on which release of the final Grant funds will be made.

3.3 Fund Manager monitoring

As part of its Monitoring, Evaluation and Learning (MEL) function, the FM carries out its own technical and financial monitoring to add to projects' internal reports and findings. The combined results are used to approve quarterly funding requests and to trigger Performance Improvement Measures if needed.

Based on the findings of the technical and financial monitors, each quarter the FM will review the achievement of two key milestones:

Milestone 1 Demonstrated project progress against workplan. Milestone 1 will be assessed using the Workplan Tracker completed by the project and corroborated by the FM Monitor.

Milestone 2 Proportionate expenditure against budget and in line with workplan. Milestone 2 will be assessed using processes and tools described in Section 6.

The Portfolio Manager and Technical Monitor engage with each project before implementation begins, to fully understand the project's theory of change, logframe and workplan. Each quarter, the Technical Monitor reviews the project report for the previous quarter and the workplan for the next quarter and plans monitoring activities accordingly and in keeping with feasibility of travel to project sites. All visits to project sites and activities are agreed in advance with the Recipient.   In contexts where physical travel to project sites is not feasible, monitors will arrange and agree alternative methods of monitoring.

As well as tracking progress against the workplan, FM monitors will look at the quality of implementation. In particular, the FM will assess the quality and fit of the project's Teaching and Learning approach and its attention to GESI minimum standards. Bespoke monitoring tools will aid the FM and projects to identify potential aspects for improvement in these two key areas.

The Country Finance Monitor will regularly monitor each project's expenditure in the relevant period, stewardship of funds and management of fiduciary risk. As part of the review, the Country Finance Monitor will seek to confirm that reported expenditure is eligible and appropriately supported. Any reported expenditure that is considered ineligible or unsupported will be deducted from the next available Recipient payment. The Country Finance Monitor, in liaison with the Technical Monitor, will also review the expenditure incurred in the period in comparison to the level of reported activity in the project workplan.

Additionally, the FM will use information provided in the Quarterly Progress Report to assess ongoing compliance and adherence to GEC policies, actions towards meeting Special Conditions, and risks.

Six-monthly **Review and Adaptation meetings** between the Recipient and the FM provide an opportunity to discuss overall progress and challenges and, if necessary, to adjust workplans and budgets (within the agreed total and to achieve the same overall outcomes)

with input from technical specialists as required. These meetings generally take place in-country, at the second and fourth quarter points, and are led by the Portfolio Manager.

Information and data from the monitoring process feeds into the Evaluation process, requirements for which are set out in detail in Section 4. In turn, after each formal evaluation point, data and findings will feed back into the monitoring cycle.

This approach should prompt regular reflection at project level to check progress against the Theory of Change (ToC), interrogate the set of strategies being employed and facilitate projects to adjust their approach and plan as necessary. Technical Monitors and Portfolio Managers will work with projects to reflect regularly on whether their activities are leading towards progress towards the intermediate and high-level outcomes set out in the project logframe.

Figure 1 highlights the key junctions at which monitoring, combined with evaluation, tests out and informs projects' progress towards learning outcomes.

Figure 1: Fund Manager monitoring in GEC-LNGB

These monitoring processes and tools are part of an integrated MEL approach. Tools used for monitoring should be linked to project logframes, and both monitoring findings and evaluation results should guide Review and Adaptation meetings. This should optimise the potential for projects to improve their performance against targets between evaluation points.

Monitoring also supports and informs the GEC learning agenda. Project reports and monitoring visits track specific aspects of projects which align to the overall GEC learning themes. Outcomes of these visits contribute to shaping the GEC learning agenda, with projects directly involved in sharing lessons across the portfolio. Emerging lessons and knowledge from project implementation will be aggregated by the FM to formulate overall GEC learning and knowledge.

3.4 Reporting periods

All GEC-LNGB projects keep to a quarterly cycle for reporting and for requesting funds, with all **reports due by the end of Month 1 of the subsequent quarter** (one month after the quarter end). These dates may be different to the Recipient organisation's own internal reporting arrangements. However, to ensure prompt payment, it is essential that these are adhered to. The reporting period for individual projects will normally depend upon the start date of their GEC-LNGB project or as otherwise agreed by the FM.

Table 1 sets out the key reporting and payment dates for a project commencing in Quarter 1.

Table 1.   GEC-LNGB Reporting Example: Project start date 1 August 2018

Year	Reporting Period	Reporting Quarter	Quarter End	Reporting Date	Payment Date
1	1 August 2018 – 31 July 2019	Q1	30 October 2018	30 November 2018	31 December 2018
		Q2	31 January 2018	28 February 2019	31 March 2019
		Q3	30 April 2019	31 May 2019	30 June 2019
		Q4	31 July 2019	31 August 2019	30 September 2019

Repeat for all subsequent project years

3.5 Summary of reporting requirements for GEC-LNGB projects

As explained in Section 3.2.3, Recipients must submit a number of reports during the lifetime of their project. The reports serve to both provide feedback on the progress of GEC-LNGB activities and to summarise results. Some of these reports are required only once and others are recurring as outlined below. For avoidance of doubt, the project start and end dates in your AGA define your grant period.

Table 3 lists submissions required throughout the implementation period. This table may not include all the particular obligations for your project – please check your AGA and consult with the FM as necessary.

The quarterly, annual and project completion reports will require that you collect and compile various financial, management and administrative information. Your process for data collection required to complete these reports should be outlined in your MEL framework. Data collection, storage and processing are central to communicating project progress and results.

It should be noted that where any report is considered by the FM to be inadequate, resubmission will be required before Grant funds are released. If you have any queries on completing any report, you should contact your Portfolio Manager.

Table 2.   Reports required during the project implementation period

Monitoring and evaluation requirements

Reports	Frequency	Author	Due date	More information
MEL framework	Once	Recipient	First Draft is due by 30 September 2018 Final version is due by 31 October 2018	See section Developing the project MEL Framework 4.3
Baseline study report	Once	Externally commissio ned by Recipient	By the date set out in the Special Conditions	See section Baseline report 4.7.4
Project logical framework (logframe)	Once	Recipient	Due for submission to the FM by 31 August 2018.	See section Logframe 4.7 and Appendix A
Quarterly Progress Report	Every quarter (except when an annual report is due)	Recipient	Due by the end of Month 1 of the subsequent quarter. The Quarterly Progress Report will be submitted at the same time as the quarterly Request for Funds and Quarterly Expenditure report.	See section Project Monitoring and Reporting 3
Update to Quarterly Workplan Tracker	Regularly, and at least every quarter	Recipient	Can be updated at any time; requirement to update it at least once a quarter, by the end of Month 1 of the subsequent quarter	
Sustainability Plan	Annually	Recipient	Due by the end of the month after the project year-end.	See Guidance for completing a Sustainability Plan in Appendix N.

Annual Report	Annually	Recipient	Due by the end of the month after the project year-end.	See section Annual reporting 3.2.4
Midline Project Evaluation Report	Once or more for projects over 5 years	Externally commissioned by Recipient	Due on the date set out for midline report in the AGA.	See section Subsequent project evaluation reports 4.7.5
Final Project Impact Evaluation report	Once	Externally commissioned by Recipients	Due on the date set out for endline report in the AGA.	See Section 4: Project Impact Evaluation

Financial Requirements

Reports	Frequency	Author	Due date	More information
Strengthening measures	Once	Recipient	Implementation date(s) to be agreed with the Fund Manager.	See section Strengthening Measures 6.1
Final Request for Funds	Once	Recipient	1 month after the project end date as set out in the AGA	See section Final Request for Funds 6.3.3
Final Statement of Funds	Once	Recipient	1 month after the project end date as set out in the AGA	See section Final Statement of Funds 6.3.4 and Appendix K
Project Asset Disposal Plan	Once	Recipient	3 months before the project end date as set out in the AGA	See section Asset Register 6.4.9 and Appendix F
Annual audited accounts report	Annually	Recipient	Due within 6 months from the end of the Recipient's financial reporting year.	See section Annual audited accounts 6.4.8

Project Asset Register	Annually	Recipient	Due on or before the end of the month after the project year-end.	See section Asset Register 6.4.9 and Appendix F
Quarterly Project Expenditure Forecast	Every quarter	Recipient	Due on or before the 15th day of the month prior to the commencement of the quarter.	See section Payment arrangements 6.2
Quarterly Request for Funds	Every quarter	Recipient	Due on or before the end of the first month after each reporting quarter. The quarterly project report will be submitted at the same time as the quarterly Request for Funds.	See section Payment arrangements 6.2
Quarterly Expenditure Report on actual financial expenditure	Every quarter	Recipient	Due on or before the end of the first month after each reporting quarter. The quarterly expenditure report on actual financial expenditure will be submitted at the same time as the quarterly project report.	See section Quarterly payments 6.2.1
Quarterly Finance Report	Every quarter	Recipient	Due on or before the end of the first month after each reporting quarter. The quarterly finance report will be submitted at the same time as the quarterly project report.	See section Quarterly payments 6.2.1
Project Completion Report	Once	Recipient	1 month after the project end date as set out in the AGA.	See section Project completion report (final annual report) 3.2.5

Table 3.   Further Policy Requirements

Reports	Frequency	Author	Due date	More information
Child safeguarding policy self-audit and procedure update[6]	At least twice	Recipient	Within 3 months of the project start date, and 2 years after that. Some projects may be required	See section Child Safeguarding Policy 7.11 and Appendix B

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[6] The requirement for this may change once the GEC safeguarding requirements are aligned with DFID's new requirements and standards for safeguarding and the DFID Smart Rules update.

			to update them on a six-monthly basis and details will be sent to these specific projects.	
IATI implementation schedule	Once	Recipient	Submitted to the FM within 6 months of signing the AGA.	See section International Aid Transparency 7.10 and Appendix D
Delivery Chain Risk Map	Annual	Recipient	Within 180 days from AGA start date and subsequently annually as part of the review process (including project completion review process).	See section Delivery Chain Risk Mapping 7.2 and Appendix L

3.6 The GEC Fund Management System

The Fund Manager has developed a robust Fund Management System (FMS) to assist in the grant management and payment process. The GEC FMS is an electronic system accessed from your computer via the Internet. The main elements of the FMS are:

- **Information capture** – collection and storage of financial and non-financial information submitted by Recipients

- **Payment approval** – provides the controls and structure in which payments are initially approved by the GEC FM payments team

- **Verification** – provides the controls and structure for verification of payment and results by GEC country monitors

- **Reporting** – provides automated reporting for the programme.

Recipients are required to submit all of their Quarterly and Annual reports (financial and non-financial reports) through the FMS. Assistance will be provided to all Recipient organisations to access and use the GEC FMS.

4 Project evaluation

Each Recipient funded through the GEC is required to undertake a project-level impact evaluation. Project-level evaluation is vital as it allows us to understand the additional impact the project has created. Repeated evaluations also are able to show how a project is progressing over time towards stated objectives, and which adaptations may be necessary to accelerate improvement. The evaluation should provide insight as to what is working well, as well as areas which could be improved upon, and therefore inform project adaptation. The information generated through the evaluation should be viewed as valuable project management information as well as the focal point for the project's accountability on performance to DFID.

4.1 Evaluation requirements

GEC-LNGB project-level evaluations are the primary means of assessing the effectiveness of projects in delivering outcomes and understanding whether the project's Theory of Change (ToC) holds true. Independent, external evaluators, contracted by Recipients, should conduct project-level evaluations. These are distinct from any programme-wide evaluation DFID may contract (the GEC Evaluation Manager).

Box 3: GEC LNGB Project-level evaluations: Key Requirements

1. Projects are responsible for ensuring that sufficient costs for their evaluation are factored into their budgets.

2. A Monitoring, Evaluation and Learning (MEL) Framework should be developed during the LNGB 'Inception Phase' running from August to October 2018. The Fund Manager (FM) will provide a template and guidance to aid projects in developing their MEL frameworks following the singing of grant agreements. By:

- 31 August 2018: Projects re-submit their draft logframe based on GEC Guidance and detailed Theory of Change

- 30 September 2018: Projects re-submit their logframe and draft MEL Framework to the FM

- 31 October 2018 Projects respond to FM feedback on their MEL Framework, finalise the framework and have Fund Manager sign-off

3. Projects should contract an external evaluator in order to provide a baseline evaluation. This can done before the project's MEL framework is signed-off depending on planned baseline fieldwork timing. A draft Terms of Reference (ToR) for the external evaluator has been included as an annex in the MEL guidance. Projects should adapt this as necessary.

4. Projects should select evaluators experienced in the use of quantitative *and* qualitative methods.

5. Each external evaluator will be expected to assess and evaluate all outcomes and intermediate outcomes through a longitudinal evaluation, using both quantitative and qualitative methodologies.

6. The evaluation will consist of a baseline with first draft submitted by 29 March 2019 or as otherwise agreed with the FM, a midline the following year and an endline which will be scheduled according to project length. Projects longer than five years are required to have an additional fourth evaluation point.

7. External evaluators should be hired to conduct the project's baseline evaluation, with their extension to further evaluation points dependant on their performance at baseline and all further evaluation points.

The evaluation design for each project-level evaluation will be set out in the project's own **MEL Framework** to be completed and signed-off by the FM by 31 October 2018 (with a draft due on 30 September 2018). There are a number of conditions for the evaluation that need to be factored into the design, including the possible use of comparison/control groups that do not receive the interventions, sampling frameworks developed, statistically significant samples and the use of mixed methods. Projects should set out their detailed approach in their MEL Framework, which will be agreed/signed-off by the FM. This should include the ToC, evaluation questions, the targeted impact and how additional impact attributable to the project will be measured.

All projects are required to adhere to the following ten principles of evaluation:

1. Each external evaluator is expected to measure, assess, and evaluate progress against all outcomes and intermediate outcomes as part of a longitudinal evaluation of the project.

2. The evaluation should involve a mixed methods research approach, facilitated and led by an external evaluator to be hired by the project.

3. The evaluation consists of a baseline and subsequent evaluation points. Projects should budget for a minimum of three evaluation points including the baseline. Projects that are being contracted for more than five years should budget for a fourth evaluation point.

4. Evaluations should follow strict ethical principles in their design, adhering to the ethical guidelines laid out in the MEL Guidance. Where appropriate, an experimental research design for measuring outcomes, based on the use of treatment and comparison groups, could be used. The exact evaluation design should be agreed in cooperation with the FM, and signed off in the MEL framework.

5. The evaluation should, where possible, follow a longitudinal 'cohort' - a sample of beneficiaries (and non-beneficiaries) over time, meaning the same individuals in treatment and comparison groups are tracked and followed up at future points.

6. Sampling frameworks need to be drawn to ensure a representative sample is drawn

7. Evaluations should be designed to generate statistically significant estimates of outcome achievement. Power calculations are therefore required to estimate sample sizes. Household surveys are required for tracking a sample of beneficiaries, for recording important individual and household characteristics, and for measuring transition (See Appendix A - Outcome and Logframe Guidance).

8. Learning tests for literacy and numeracy and any other learning outcomes are a requirement. These need to be developed by the Recipient. While EGRA and EGMA tests are preferred, the precise format of each project's test will need to be agreed with the FM during MEL framework development.

9. All evaluation tools (qualitative and quantitative) should be piloted in the target areas, to judge how appropriate they are for the context. Results of these pilots should be shared with the FM. Full fieldwork should not begin until pilot results have been analysed and any adaptations made.

10. The evaluation framework will be used to set targets for the project:

   a. Learning targets should, in most cases, be based on a difference-in-difference approach between treatment and comparison groups. Where comparison groups are not used, data from a reliable benchmark sample may be used. Learning targets for literacy and numeracy will be set at an improvement of 0.2 standard deviations over the comparison group/benchmark per year of implementation. Targets for the third learning outcome, if one is used, may be set on a more project-by-project basis.

   b. Transition targets should also be based on a difference-in-difference approach between treatment and comparison groups, or on benchmarks where no comparison groups are followed. These targets will be set following baseline data collection, using the method laid out in the transition sections of the MEL Guidance.

   c. All other targets (e.g. logframe indicators) should to be agreed with the FM. Targets may be revised/reconsidered at the MEL Framework stage, as well as after the project baseline.

During the LNGB Inception Phase, the FM will organise a series of MEL workshops with each project to discuss the various principles above, and to agree a high-level evaluation strategy that is appropriate to each project. These strategies should be agreed in principle with your FM evaluation officer by the end of August 2018.

Chief among the concerns of this strategy is that evaluations are designed with the vulnerabilities of LNGB target groups in mind. Project staff are encouraged to collaborate closely with the FM in developing this strategy, and at all subsequent parts of the evaluation.

The information in this section can be used to identify the resources required for the evaluation and support the development of your detailed budget. More detailed **MEL Guidance for developing your MEL framework** will be shared following the signing of grant agreements and will provide further detail on how the above principles can be applied and put into practice.

4.2 Identifying resources for the evaluation

An evaluation should be proportionate to the scale, risk and profile of the intervention. This involves:

> **i) externally**: ensuring sufficient budget is available to commission each stage of the evaluation (projects up to five years long will require three evaluation points, projects beyond this length will need a fourth evaluation point)
>
> **ii) internally:** ensuring a dedicated member or members of staff, have the capacity and expertise to supervise and manage the evaluation process.

The most appropriate basis for determining the budget is the nature and scope of the work required. Good evaluation requires experienced evaluators and the commitment of those commissioning the work and stakeholders alike.

The budget for commissioning the evaluation for each evaluation point should be accounted for within the project's evaluation budget before contracting. Budgets allocated to evaluation should:

- Be proportionate to the evaluation requirements of the project and the nature and scale of research activities required to meet these requirements.
- Ensure sufficient funds are available for both the external evaluator contract, as well as internal staff to manage the contract and deliverables.
- Represent good VfM relative to the overall size of the budget allocated to the project as a whole.

Frequently, a balance needs to be found between the above principles that are in turn influenced by the project purpose and design.

To guide projects building a budget for an external evaluation, the anticipated responsibilities of an evaluator would be:

- **MEL framework:** Helping the project to finalise aspects of the MEL framework, including overall evaluation design and sample size.
- **Evaluation Tools:** This includes:

- Developing learning tests for literacy and numeracy for each evaluation point (with translation to local language where required). Additional tests may be needed if a third learning outcome is selected.
- Adapt household surveys issued by the FM (with translation to local language where required).
- Develop tools for collecting information on intermediate outcomes.
- Develop qualitative interview guides for outcomes and intermediate outcomes.
- Tool adaptation where the project is working with a substantial number of highly marginalised groups, e.g. girls with disabilities.

- **Piloting:** All quantitative and qualitative tools must be piloted. All versions of learning tests in particular must be piloted and calibrated. This should be done with approximately 100-200 participants.
- **Benchmarking:** Collecting benchmark samples for learning and transition. It is recommended for learning that each benchmarked grade has a minimum sample of 70 participants.
- **Sampling frameworks**: Evaluators must develop the sampling framework which includes calculating a suitable sample size with use of clustering where necessary, finding suitable comparison schools/communities and selecting a representative sample. Where projects have a control/comparison group and are using clustering as it is not possible to collect data from all schools/communities, minimum sample sizes can range on average from 800-1300 participants).
- **Data collection:** Part of this process includes identifying suitable enumerators for the context and providing training on use of all the tools. The following data must be collected for the minimum sample size calculated:
    - Learning tests: The EGRA/EGMA must be administered orally and consist of various subtasks which require administration on a 1:1 basis. On average each EGRA and EGMA test takes approximately 15-20 minutes to administer.
    - Household surveys: These surveys are administered as a minimum to the head of household, primary caregiver and sample girl. On average one household survey takes approximately 30-45 minutes.
    - Intermediate outcomes: This could take the form of attendance spot checks at schools, classroom observations, and qualitative interviews with key subgroups.
- **Data processing:** storage, cleaning, and analysis of the data. This included the quantitative dataset and storing and coding of qualitative data which may require writing up transcripts and translation.
- **Report writing:** A report which meets the requirements set out the FM's report template. Revisions are likely to be required based on FM feedback.

4.3 Developing the project MEL framework

The primary document relating to the design of this project-level evaluation is the project's MEL framework. This should contain all information relevant to the project's evaluation and requires Fund Manager approval before baseline data collection can begin.

A revised project logframe is submitted alongside the MEL framework and forms the key data collection tool for which indicators are to be monitored over the project period. The project logframe needs to be submitted in advance of the MEL framework according to the timelines outlined in Section 4.1.

All Recipients are required to submit the draft MEL framework for their project to the FM by 30 September 2018, with a finalised version due by 31 October 2018. While not an exhaustive list, an overview of the key contents of the framework can be found in Table 4 and is described in more detail over the following sections. Further instructions will be provided with the templates.

Owing to the technical nature of the MEL framework, external evaluation consultants may be contracted to help draft it, but the project must have staff confident in holding an external evaluator to the terms of this document. The Recipient will be responsible for the adequate completion of the MEL framework.

The FM must approve each project's MEL framework before the baseline research is undertaken.

The FM will share a more complete structure for the MEL framework and the MEL Guidance at the AGA stage (expected July 2018).

Table 4.   Overview of key MEL framework contents

Item	Summary requirements
Key evaluation questions	These are the questions that the project evaluation seeks to answer about the project. The list will include, as a minimum, questions representing the LNGB outcome and intermediate outcome indicators (see Appendix A).
Evaluation approach and research design	The overall evaluation approach should be specified, including data collection, identification of a comparison group and reporting commitments. The research design should outline the reasons behind the chosen evaluation design. If a comparison group will be selected, how will its statistical closeness to the intervention group ensured and tested? In addition, power calculations are required to ensure sufficient sample size is selected. Ethical issues should be identified and considered as per the MEL Guidance and MEL Framework template.
Data collection tools	The MEL framework should specify the tools which will be used to collect information for all key indicators – including learning tests, the

	household survey (HHS) and qualitative tools. While external evaluators will be expected to finalise these tools in baseline preparation, the project should identify the relevant tools. Projects should also be heavily engaged in advising evaluators on any adaptations that may be needed to tools to help suit the context.
	Tools must be designed to ensure collection of demographic data such as gender, age and grade of girls, as well as other important information, such as attitudes and practices concerning girls' education.
Sampling framework (representative cohort)	A sampling framework is required which articulates the full list of intervention communities and/or schools, as well as a list of comparison communities and/or schools to be sampled, with information on how they are matched. An appropriate selection methodology (ideally random) should then be used for the selection of communities/schools to sample. In addition to setting out quantitative sampling framework, a sampling approach for each of the qualitative methods proposed should also be included.
Lesson Learning	All projects are required to provide a detailed learning plan as part of their MEL framework. The Recipient should indicate interest in which learning clusters they would like to participate. Methods, data sources and the learning process should be part of the plan. A schedule for delivery of knowledge products will be articulated along with a strategy for sharing and influencing. For more information see Section 5.
Monitoring and performance management	Monitoring and evaluation are part of project implementation throughout the project and not just processes used at the end of the project. Recipients are expected to learn from ongoing monitoring and respond appropriately by adjusting and refining their approach (for example Teaching and Learning approach, Gender Equity and Social Inclusion approach) towards delivering outputs and outcomes. Plans for routinely tracking progress towards each output should be clearly set out in the MEL framework. Recipients are encouraged

	to share emerging lessons within GEC and externally.
Data collection plan	Recipients should plan how they collect, store, manage and produce the data needed for reporting.
Logframe	The logical framework presents the project theory of change in a simple format suitable for monitoring.
Child safeguarding	This section should outline how implementers and evaluators will work together to implement existing child safeguarding policies and outline any additional MEL-related protocols.

4.4 Commissioning the evaluation

After development of the MEL framework, the sections specific to the evaluation forms the basis of or an attachment to the terms of reference for commissioning the external evaluation.

The GEC-LNGB requirements for reliable and credible data collection, analysis and findings are technically challenging given the characteristics of the target group, the project operational environments and the type and standard of evidence (particularly evidence of *additional* impact) that projects are required to deliver. This type of evaluation work requires high quality, specialist evaluation, research expertise and experience. A competitive procurement process provides both:

- **VfM** - services are contracted at the right price, which are capable of delivering the scale and quality of evaluation deliverables required in ways that add maximum value to the project, its partners and stakeholders

- **Benchmarks for service cost and quality** - an opportunity to compare and contrast a range of different skillsets and proposals to ensure that the technical expertise that is contracted is the best fit for the specified evaluation aims and objectives.

The FM expects all projects to select their evaluators through a competitive tendering process.

If a project has hired an evaluator to help draft the MEL framework, the same provider may be considered for the full evaluation. The expectation of a competitive tender still applies, however, and so the evaluator would be expected to 're-apply' for the full evaluation stage.

Outline of external evaluator responsibilities

The primary responsibilities of the external evaluator are to develop fieldwork plans and research tools, pilot and adapt those tools, collect and analyse data on outcomes and intermediate outcomes, and present these findings in a report to the FM with associated data. The project ultimately holds responsibility for the relationship with the evaluator.

Specifying the project evaluation requirements in the invitation to tender

Invitation to Tender (ITT) documents should be prepared that specify the requirements for the evaluation. These documents should include a Terms of Reference to set out the type of

evaluation expertise and scope of work required. The FM will provide an example Terms of Reference alongside the MEL framework template.

Bidders need to understand from the Terms of Reference the following:

- The scale of activities, beneficiary reach and project costs that need to be covered by the evaluation
- The type of interventions and the complexity of the project to enable bidders to develop and propose an appropriate evaluation approach
- The level of rigour required with regards to the research approach, and the required level of accuracy and precision of the analysis and findings
- The key requirements of the evaluator including: development of a sampling framework; administration of the household survey and learning tests; piloting of the key data collection tools; qualitative research; data management and analysis; and report writing.

Both project commissioners and bidders need to develop a clear understanding of the purpose, scope and focus of the evaluation and, as a consequence, the scale and quality of research required.

Given the technically challenging and complex nature of GEC-LNGB project evaluation, projects may wish to bring on-board dedicated evaluation management expertise in order to prepare the specification if these skills or experience do not already exist internally.

In general, the more specific the Terms of Reference the better the proposals that will be received through the tender process, particular with regards to the accuracy of quoted prices. Figure 2 illustrates the key steps of the tendering process, once the ITT has been developed.

The FM can support Recipients with evaluating proposals of the short-listed bidders and highlighting key gaps in suggested approaches. The Fund Manager will also advise on whether costs are reasonable for the scale of activities proposed.

Figure 2:   Milestones in commissioning an independent evaluation
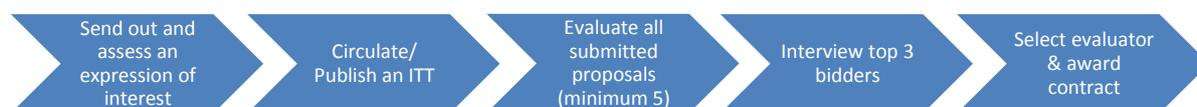

Table 5 outlines the criteria most frequently used to evaluate tenders for evaluation studies. The assessments are compared, together with the prices tendered, to identify the tender which offers the 'economically most advantageous tender' against the pre-determined evaluation criteria clearly defined in the ITT.

Table 5.   Example evaluation criteria and weighting

Criteria	Weighting
Quality of tender including sub-criteria such as:	**70-80%**
• *Method statement – description of activities to deliver requested services*	30-40%
• *Project team's and organisation's experience and relevant expertise*	15%
• *Project and resource plan*	15%
• *Quality assurance and risk*	10%
Price	**20-30%**
Total	**100%**

The evaluation of tenders should be carried out objectively and fairly in line with the evaluation criteria.

Each project should agree the due date for their baseline evaluation report in their AGA/contract – the expected delivery for the first draft should be no later than 29 March 2019 unless otherwise agreed with the FM. Projects and evaluators should consider the optimal times for conducting fieldwork, e.g. are there times to avoid such as the rainy seasons, school exams, migratory periods? Report and fieldwork dates may differ among projects. Projects are also expected to agree their baseline/midline/endline (and fourth evaluation point if applicable) reporting dates at the AGA stage.

4.5 Managing the evaluation

The quality of the evaluation should be assessed throughout the evaluation process. The evaluator should set the approach to managing and assuring the robustness and the quality of the evaluation process. This should include:

- A clear set of evaluation principles agreed at the outset, with a MEL framework providing the basis for the objectives and key indicators of the research, as well as evaluation design and detailed sampling framework.

- Completion of evaluation and research activities as planned and within agreed deadlines.

- A risk mitigation strategy that clearly identifies risks associated with the evaluation process, in particular, data collection. This strategy should include an accurate assessment of the likelihood that these risks will affect the evaluation and if they do the level of severity of their impact on the process. This assessment should be complemented by a clear set of mitigation strategies that set out the processes and contingency plans for ensuring that these risks are avoided or addressed appropriately.

- An assessment of the quality of the evaluation against a set of quality criteria relating to: coverage; appropriateness of research methods; reliability of data; rigour of analysis; credibility of the results; utility of the conclusions; and clarity of the deliverables.

- Production of clearly structured evaluation reports for baseline and beyond that follow the requirements of our provided templates for each report.

- Evaluation reports by external evaluators at midline and other subsequent evaluation points that presents the findings, conclusions and recommendations in a complete and balanced way, focussing on the additional changes brought about by the project.

- An executive summary for the evaluation reports to facilitate dissemination and take up of the report's findings and conclusions.

4.6 Monitoring and evaluation research ethics

All projects are expected to be able to demonstrate compliance with international best practice in the way that monitoring, evaluation and research is planned, carried out and analysed. This includes conducting the process with integrity and transparency. Projects must ensure that participation is voluntary (including that consent can be withdrawn at any time) and appropriately informed, and that the rights and dignity of individuals are respected. Importantly, risk and harm should be minimised. This is particularly critical with regards to any project M&E activities involving children and vulnerable groups and when they cover issues that could be seen as sensitive, such as violence. Projects should also ensure that participation and questions are age appropriate and adapted for children with disabilities where necessary.

Provision should be made to protect the confidentiality and anonymity of those individuals involved in the evaluation. Projects should be able to demonstrate administrative, technical and physical safeguards to protect the confidentiality of beneficiary data. For instance, when longitudinal sampling or studies are carried out, it is essential that personal information is separated from the panel participants' data. This is typically achieved through the use of secured, separate databases. It is also important that projects state how physical and electronic data will be stored and disposed of to maintain the privacy and confidentiality of all project participants.

Importantly, all evaluations are also expected to adhere to the GEC's minimum standards on child safeguarding (see Appendix B). These include, but are not limited to, enumerators being appropriately vetted and trained; evaluation staff upholding high standards of behaviour that act in the best interest of the child; and that there are clear lines of reporting and response when the minimum standards have been breached.

4.7 Logframe

A logframe is required for all projects. All projects share the same GEC programme impact and outcome indicators. Although transition remains an optional outcome for LNGB projects, the FM encourages all projects to consider how transition could apply to their context – your FM evaluation officer will discuss this with you in setting your evaluation strategy.

Intermediate outcome and output indicators are tailored on a project-by-project basis to reflect outputs from project activities or inputs. Logframe indicators need to be agreed as part of developing projects' MEL framework (see Section 4.3) to ensure sufficient data is collected during the baseline. Further details about outcome, intermediate outcomes and output indicators for logframe reporting can be found in Appendix A.

Inception Phase

The indicators set out in each project's logframe form the foundation for the baseline study. Following completion of the baseline study, the baselines and targets for each indicator as well as assumptions should be updated. For projects that require further scoping to understand their beneficiary population and barriers, there may be a need to carry out a pre-baseline study which will take place before or alongside MEL framework development. Projects who do a pre-baseline study, should incorporate findings into their Theory of Change and logframe.[7] Following baseline, projects may choose to further update their logframe indicators which can be done in consultation with the FM if this is necessary, particularly if they make changes to their design and theory of change. Activities impacting directly on beneficiaries learning outcomes should not start until after baseline data collection is complete.

All projects must submit an updated draft of their logframe together with their detailed theory of change. This should be sent to the FM by 31 August 2018. This logframe submission should reflect the method of measuring the indicators as agreed with the FM during discussions about project's overall MEL approach.

Subsequent logframe reporting – post-baseline

Recipients are required to report on logframe progress in the Quarterly and Annual reports. This includes a narrative of progress through the Quarterly Workplan Tracker (by output quarterly, in addition to by outcome annually) and feedback on whether the project is on track to achieve the outcome targets. Furthermore, this includes a report on the assumptions and risks affecting the project's results chain (e.g. the changes in circumstance in terms of retention in school, attendance at school, and measured learning). Recipients are required to submit an updated logframe, with as much data as is available at the time of the annual report. Recipients are further asked to indicate whether they foresee any need to change the project logframe (e.g. based on an assumption that did not hold).

It is understood that outcome indicator data may not be available before the project Annual Report is due because of the timing of external evaluations. As such, an updated logframe should be sent to the FM along with the midline and endline evaluations.

The logframe may be revised to reflect project learning and adaptation over the life of the project. The logical point for this to take place is after the evaluation points, where changes can be made in an evidence-informed manner.

4.7.1   Value for Money (VfM) metric tables

All Recipients will receive a bespoke VfM metric table from the FM that will derive from the economy aspect of the VfM chain. The VfM metric tables are found as a tab in the project logframe, are tailored to each project and measure the cost of project activities and inputs.

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[7] A pre-baseline consists of additional scoping to support project design prior to the baseline and MEL Framework sign-off. This is not a MEL requirement, but recipients may choose to do it as part of their project design phase and it can be carried out by the project staff.

The tables allow an assessment of economy to be completed for each individual project and allow context specific comparisons to be made across projects.

Bespoke VfM metric tables are created based on information from project budgets, where the inputs and activities are consolidated based on the amount of budget assigned to each item. Some examples of economy metrics are cost per classroom constructed, cost per textbook provided and cost per teacher trained.

All projects must review VfM metric tables that are provided by the FM and confirm that the economy metrics reflect the project's activities and inputs. As the VfM tables are derived from original budgets submitted to the FM at Full Proposal application stage, it is important to communicate changes in project design or budget allocations for the project's key activities or inputs to the FM and revise the VfM metric table when necessary.

Projects are required to report against the VfM metric tables on an annual basis, which requires information on the amount of input and/or activities delivered (for example, number of classrooms constructed, number of textbooks provided, number of teachers trained) and the budget spent on each input as an estimated percentage of the project budget for each output. This should be submitted alongside the project's annual report and within the updated logframe.

4.7.2   Outcomes spreadsheet

Upon completion and report submission for each evaluation point, projects will be required to present data on GEC outcome indicators using the outcomes spreadsheet provided by the FM. The spreadsheet will provide a comprehensive means for projects to fill in their outcomes information for the learning, and transition indicators, as well as set targets for each indicator (see Section 6.2.2 for further information on setting targets). Based on this information, the outcomes spreadsheet should also be used to generate project achievement at each evaluation point, alongside relevant statistical analysis within the evaluation report (regressions undertaken etc.).

For this purpose, all projects are required to submit the outcomes spreadsheet to the FM as part of baseline and subsequent evaluation point report submissions. Outcome targets generated or presented in the outcomes spreadsheet also need to be consistent with targets in the logframe and numbers presented in the evaluation reports should clearly match with those in the outcome spreadsheet, with any deviations set out in the outcome Statistics Tabs of the outcomes spreadsheet with a clear statistical rationale.

As the evaluation strategy may be different across projects, it may be necessary to tailor aspects of the outcomes spreadsheet to suit individual projects. For example, if multiple languages are used for literacy assessments, then the project may require more tabs in the spreadsheet to input data. Recipients should notify the FM if a modification is necessary.

4.7.3   Sampling framework (representative cohort)

For some projects, their population may be small enough to realistically administer the evaluation with all of the beneficiaries (and comparison groups if applicable). However, in

most instances the size of the beneficiary populations may be so large that it will not be feasible to evaluate with all the beneficiaries. In this case, projects are required to identify a representative sample of their populations to track, monitor and subsequently assess the impact of the project.

It is vital that projects develop a sensible sampling framework to allow results of the assessment of outcomes to be aggregated to the entire population level, in detail in their MEL framework. A template will be provided by the FM alongside the MEL Guidance, following the signing of grant agreements.

4.7.4 Baseline report

Each project is expected to establish and submit to the Fund Manager a baseline study report no later than 29 March 2019 or as otherwise agreed with the FM. It is recognised that due to differing school years and in some cases difficulties in data collection, this needs to be agreed on a project-by-project basis. The Recipient is asked to direct any concerns about their baseline study timing to the Fund Manager.

The type of interventions proposed, and the design of the project's MEL framework will determine the design of the baseline study. The Fund Manager encourages projects to take a collaborative approach to developing all these aspects of the baseline study – with a dedicated FM evaluation officer on hand to advise and answer any questions you may have.

The baseline data will form the basis for comparison at the end of the project to measure the success of the intervention, this should be for all indicators.

The baseline study should describe the initial conditions against which progress can be measured or comparisons made to show the impacts of GEC funds. The baseline should enable the project to track changes in outcomes and intermediate outcomes for marginalised girls. It should measure the project's attributable effects on these indicators after accounting for changes that may be happening anyway – the principle of **additionality**.

Further guidance relating to the baseline report, including a template and requirements, will be provided once MEL frameworks have been signed-off.

4.7.5 Subsequent project evaluation reports

Each project evaluation report should test and validate the progress against the outcomes and intermediate outcomes set out in the project logframe and set out in detail with the research design in the project MEL Framework and agreed with the FM. The guidance and requirements for Recipients in respect of the subsequent evaluation points (beyond the baseline) should also be used as a guide for the midline project evaluation report. Further guidance relating to the midline project evaluation report will be provided in due course for subsequent evaluation points.

Each Recipient should agree the due date for each evaluation report with the FM and this will be included in their AGA. To the extent possible, midline project evaluations should be conducted at an optimal point in the school year. This date may differ among projects.

Further guidance relating to each evaluation point will be provided before the start of each reporting period.

5. Learning strategy

GEC-LNGB presents a significant opportunity for learning. Not only is there a wealth of project data in-country, but also the chance to build an evidence base through the aggregation of data from single projects to a programme level. Therefore, under GEC-LNGB there will be a strong focus on learning and a dedicated learning function in the Fund Manager (FM) to help support, shape and deliver GEC-LNGB programme learning. Learning will be shared between projects and also with external audiences both locally in-country and globally in order to influence and share approaches and good practice on education opportunities for marginalised adolescent girls.

It is proposed that alongside monitoring and evaluation processes, a dedicated and integrated learning approach will be introduced to GEC-LNGB. The external evaluation points detailed above will give the projects a clear data set to show what is changing in their intervention. An ongoing learning focus in projects will help to understand why things are changing and the specific aspects that are successful or not. This will require projects to undertake active, regular investigation and enquiry around specific themes and areas within their projects.

In consultation with projects, the FM will shape a learning agenda with specific thematic areas which will include but is not limited to some of the themes highlighted in projects' intermediate outcomes. Projects will then have the opportunity to opt into 'learning clusters' as active participants. Themes will be informed by existing learning in the GEC, the intermediate outcomes and through consultation with projects to ensure alignment with their own research interests and data gathering plans.

As part of a cluster, projects will identify their areas for enquiry within these specific themes. Each project's learning targets and workplan will be articulated under the Learning section of their MEL framework. This will detail which learning areas the project would like to pursue, methods, reporting and a timeline for delivery of knowledge products. It will also set out how learning will be shared and specific targets for influencing.

Project learning will be supported by in-country Technical Monitors as well as technical advisers within the FM. The Fund Manager will coordinate the sharing of results, methods and learning through the learning clusters, building dedicated communities of practice around specific areas. In addition, external learning will be shared within clusters to ensure that their research questions and evidence fills a gap or adds weight of evidence to some of the ongoing global debates in education and marginalisation. The FM will invite key individuals in the academic/research community to join the learning clusters with projects so that they can advise on methodology and data collection, wider results from existing research, and contribute to the analysis and dissemination of GEC learning.

A dedicated learning team in the FM will undertake analysis of the emerging findings, suggesting areas for further evaluation. The team will also provide follow up lessons to monitors, allowing projects to adapt their approaches to maximise opportunities for girls' learning in schools.

In addition to the generation and sharing of learning through the clusters regular GEC outputs include:

- Monthly flash report

- Quarterly Lesson Learned newsletter

- Quarterly News Bulletin

- Regular thematic roundtables

- Thematic webinar series with clusters twice a year

Stakeholder engagement, knowledge sharing and Influencing

Engagement with relevant stakeholders should be pursued as a key element which will contribute to the immediate success of the project as well as its longer-term sustainability.

5.1 Dissemination of lessons learned and peer learning

One of the goals of the GEC is to gather evidence, exchange experience and disseminate lessons learned. Lessons should be generated at a project level and supported by evidence which will feed into wider analysis across the entire GEC portfolio. Lessons should cover both approaches that do not work, as well as those that do.

To support lesson learning and dissemination, the FM and/or the Evaluation Manager may:

- Convene workshops, platforms or events to prompt and collate information

- Extract information and examples from Recipient reports

- Prepare the lessons learned from the GEC funded projects and disseminate them to the targeted audience agreed with DFID

- Disseminate successful models for improving the education outcomes for marginalised adolescent girls to Governments, other donor organisations and funders in the education sector.

Recipients are expected to participate in the above activities, but they will not be obliged to share sensitive data.

Recipients should update the FM on their own learning and dissemination plans and inform them ahead of any activity. In this way, the FM can ensure that DFID (In-country and HQ) are aware of any communication and be engaged where appropriate.

To ensure that the ways in which the findings are communicated and disseminated to be of maximum use to the target stakeholder audiences it is important to have:

- Identified the person or group within an organisation that is the most appropriate contact for the purpose of informing, participating and using the evaluation research undertaken

- Considered the preferred means and protocols for communicating with stakeholders and disseminating information to them

- Established what type of information is required and for what purpose over the course of the evaluation, bearing in mind that information needs are likely to change over the project and programme lifetimes.

6. Financial management

This section of the Handbook sets out the key elements associated with financial management by Recipients and the payment of funds to Recipients.

6.1. Strengthening measures

As part of the contracting process, the Fund Manager (FM) conducts a Due Diligence exercise on each Recipient. The purpose of this exercise is to inform the FM's understanding of the financial management arrangements being proposed by each Recipient to manage GEC funds and then to identify financial strengthening measures to be implemented to address any risks or weaknesses found.

These strengthening measures (where applicable) will form part of the Special Conditions within the AGA for the Recipient's project.

Recipients are expected to implement these strengthening measures over the course of the project in line with the schedule agreed with the FM. The schedule for implementation should reflect the level of risk found.

Progress against these measures should be reflected in the Recipient's quarterly reporting to the FM and reported progress will be verified by the Country Finance Monitor.

Please note that a lack of satisfactory progress may result in a suspension of Grant payment by the FM.

6.2. Payment arrangements

6.2.1. Quarterly payments

The default approach for GEC-LNGB is to make payments to Recipients on a quarterly basis in arrears. Recipients will be required to submit a Request for Funds form, at the end of each quarter for expenditure incurred in that quarter. The quarterly Request for Funds will be submitted with the quarterly report and funds will be transferred following review and approval by the FM.

Table 6 provides a summary of the quarterly financial cycle. Greater detail on each activity is provided throughout this section.

Table 6.   Quarterly financial cycle

Timing	Activity	More information
On or before the **15th day** of the **final month** of the **preceding quarter**	**Recipient** to **submit** the quarterly **Request for Funds Forecast** by output, using the GEC cost	Section Requests for funds and the payment of funds 6.3

	categories (levels 1 and 2), for the next quarter to the Fund Manager.	
Quarter end	The quarter end represents the end of the reporting period.	Section Requests for funds and the payment of funds 6.3
On or before the end of the **first month of the subsequent quarter**	**Recipient** to **submit** the **Quarterly Progress Report with Activity Tracker, Quarterly Expenditure Report, Quarterly Finance Report and Request for Funds** to the Fund Manager.	Section Requests for funds and the payment of funds 6.3, Appendices D, E and K
Within **one month from submission** of the Quarterly Progress Report; Quarterly Expenditure Report and Request for Funds	Should the Quarterly Progress Report; Quarterly Expenditure Report and the Request for Funds meet the compliance requirements, the Recipient meets the two key milestones and any match-funding requirements and there be no unresolved queries, **Fund Manager** should **remit payment** within one month.	Section Requests for funds and the payment of funds 6.3

6.3. Requests for Funds and the payment of funds

6.3.1. Making a Request for Funds

Recipients are required to submit a quarterly Request for Funds to the FM in order to receive GEC funding. The submission must be made through the Financial Management System (FMS) on or before 30 days from the end of the quarter and must include the actual costs[8] incurred for each output. Recipients are required to provide a narrative within the FMS to explain variances of 10% from the budgeted spend for individual outputs. Recipients are also required to include an explanation within the FMS for any Requests for Funds that varies more than 3%[9] from the corresponding Request for Funds Forecast (see section Forecasting for payments in arrears 6.4.1).

A responsible officer in the Recipient organisation is required to certify the Request for Funds upon submission through the FMS.

As noted in the section above, payments will only be made on the achievement of agreed project activity and results, amongst other factors (see below). Therefore, the Requests for Funds must be made at the same time that quarterly/annual reports are submitted (i.e. on or

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[8] Actual costs must be reported using the GEC cost categories, levels 1 and 2, by each output. See Appendix I.
[9] Variance refers to the total quarterly expenditure.

before the last day of the month following each reporting quarter) as these reports include the evidence of achievement of activity and results, where applicable.

Invoices, receipts, auditable and verified evidence of results achieved should not be included with the Request for Funds form. However, these must all be retained for the regular on-site monitoring and audit requirements.

Only claims submitted in the prescribed format will be considered for payment.

6.3.2. Disbursement of Grant funds by the Fund Manager

Each quarter the FM will establish if the Recipient has met all the compliance requirements for the release of funds contained in the AGA. This includes, but is not limited to, achieving the relevant activity targets as set out in the Workplan (which forms Part of the Full Application in Annex 2) where applicable. Payment will be made based on the Recipient's reported achievement of both of the following milestones:

Milestone 1   Demonstrated project progress against Workplan. Milestone 1 will be assessed using the Workplan Tracker completed by the project and corroborated by the FM Monitor.

Milestone 2   Proportionate expenditure against budget and in line with Workplan achievement.

As part of the assessment of Milestone 2, the FM will also review any explanations for any reported expenditure that varies more than 10% per output from the corresponding quarter's budget. The FM may withhold payment if insufficient explanation and justification of variances is provided.

Once the above compliance and progress steps have been completed by the FM they will then examine the request for funds and ensure this request is in line with the amounts approved in the Recipient's budget. Variances from budget exceeding permitted thresholds will result in approval adjustments being deducted from the payment and will trigger the requirement for a budget revision (see section Revising budgets 6.4.3).

When the FM is satisfied that the amount of funds is eligible to be issued, they will deduct any ineligible and/or unsupported amounts of funding previously paid. The remaining balance will be issued to the Recipient.

Should the Request for Funds meet the compliance requirements and there be no cause for further clarification, Recipients should expect payment within one month.

In the unlikely event that an overpayment is made, the Recipient is expected to notify the FM as soon as the Recipient becomes aware of the error. As stated in the AGA, the Recipient is required to reimburse the FM as soon as reasonably practicable and, in any event, within 14 days of notification of the overpayment. The Recipient will be informed of the procedure for returning overpayment to the FM should this occur.

6.3.3. Final Request for Funds

All Recipients should submit their **final Request for Funds one month after** the **project end date** stipulated in the AGA. Expenditures incurred after the project end date will not be reimbursed.

6.3.4. Final Statement of Funds

In addition to the Request for Funds, Recipients are required to submit a Final Statement of Funds (statement of GEC funds received and expenditure incurred) **one month after** the **project end date**. In the event that any GEC supplied funds remain unspent /or where interest has accrued as a result of unspent funds, these must be returned to the FM. The Recipient will be informed of the procedure for returning unspent funds and/or accrued interest to the FM should this occur. A template for this is provided in Appendix K.

6.3.5. Withholding of funds

As per section 6.3.2, payment is linked to the achievement of milestones. Both milestones must be achieved in order for the FM to be able to disburse funding. Where both milestones have not been met in the quarter, the FM may withhold funding. For example, where the Recipient cannot show that an appropriate level of budget has been spent which is commensurate to the implementation activity in the quarter, the FM will withhold payment until such time as the Recipient can demonstrate a clear link between project activity as noted in the Workplan and the budget requested.

If the Recipient believes quarterly progress against Workplan will not be met as planned, it should notify the FM immediately. The FM will discuss with the Recipient the reasons for not meeting the progress against Workplan and proposals to move or alter the Workplan will be considered by the FM, as long as the issue is raised in advance of the milestone date. The FM may or may not approve changes to the Workplan, (and, in the event that such changes are approved, the process in section 6.5.2 and the amendment provisions of the Contract/AGA shall be complied with).

The FM will discuss any withholding of funds with the Recipient at the earliest possible opportunity. Any withheld funds can be requested at the next appropriate quarterly request when the milestones have been achieved.

The FM may also withhold payment for unexplained variances in excess of 10% of each output from the budget provided.

In addition, payment may be withheld if Recipients fail to honour their contractual obligations.

This may include, but is not limited to:

- Failure to progress Strengthening Measures or other Special Conditions
- Failure to meet match funding obligations
- Failure to meet quarterly and annual reporting obligations

- Failure to demonstrate adequate financial and/or non-financial management of the GEC project

Dispute resolution

If the Recipient disagrees with any of the decisions made by the FM in respect of withholding funds requested, or any other matter, the Recipient should follow section 7.6 and 7.7 of this Handbook.

6.3.6. Income

Recipients are required to report all income relating to the GEC funded project. Income should be separately highlighted in the Request for Funds form and the quarterly report as it contributes to the 'true cost' of the project and is important to record this in order to correctly calculate the value for money of the project (see also section Value for Money (VfM) metric tables 4.7.3). All income generated during the project implementation period should be reinvested in the project and reflected in the project budget.

6.3.7. Payment to state actors

The GEC is designed to fund non-state actors only. If the Recipient is considering channelling any of their project funds to state actors, the Recipient should agree this with the FM prior to incurring the expense.

6.4. Budgetary management and audit

6.4.1. Forecasting for payment in arrears

Recipients are required to submit forward quarterly expenditure estimates which should be as close as possible to the grant claim made for that period. DFID aims to forecast all expenditure within 3% of actual expenditure.

Request for Funds Forecast includes a forecast of costs[10] for each output in the subsequent quarter. The **forecast is required every quarter** and should be **submitted on or before the 15th day of the final month in the prior quarter** (e.g. 15th April in preparation for the May – July quarter).

Failure to do so may result in delays in the Recipient receiving next payment.

6.4.2. Match funding

The details of match funding for each Recipient will be within the Recipient's Special Conditions to the AGA. This will include both the status, i.e. confirmed or proposed, and the type of funding i.e. cash or in-kind:

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[10] Forecasted costs must be reported using the GEC cost categories, levels 1 and 2, by each output. See Appendix I.

It is a condition of funding that any match funding is **confirmed prior to the start of the funding year** in which it will be drawn upon. Where Recipients are experiencing difficulties securing or receiving funding from other sources that had been previously agreed (including both cash and in-kind), the FM should be notified immediately. In these circumstances the Recipient will be expected to develop contingency arrangements (which may include identification of other sources of funding and/or changes to the project) and these should be agreed with the FM.

6.4.3. Revising budgets

The FM recognises that circumstances can arise to which projects have to adapt and, as a result, the agreed budgets may need to be revised. This typically will be as a result of a required change to project activities identified at the Review and Adaptation Meeting or for may be for some another reason. It is important that the Recipient notifies the FM as soon as it becomes apparent a budget revision is required.

It is expected that Recipients will endeavour to use the allocations within their original budget wherever possible and to minimise budget revision requests. The FM does not anticipate receiving any more than two budget revisions (maximum) per year from any single Recipient.

Revision triggers

The Recipients were asked to provide an activity-based budget, against the GEC cost categories, during the GEC contracting phase in order for a value for money assessment to be made. The Recipients were also asked to provide their budget quarterly for Year 1 and annually for the subsequent years of their project. During the course of the project, the Recipient will be asked to provide the quarterly budgets for the subsequent years of their project.

It is important to note that the FMS only contains budget detail at the output level and cost category 1 and 2 level for each quarter and each fiscal year of the project. As such, the FM will only be monitoring any virement/movement of budgeted funds between:

1. Project **outputs**
2. **Cost category 1 level** i.e. *Project Delivery; Monitoring & Evaluation and Central Administration & Overheads*
3. **Cost category 2 level** i.e*. fees- local; fees-international; land, building & construction; IT & office equipment; vehicles; expenses related to assets; travel local; travel international; hotel accommodation & subsistence costs; education supplies; training material costs; grants or bursaries; support costs; taxes and any other costs*

Table 7 provides a summary of the instances in which a budget revision would be triggered.

Table 7.　　　Budget revision triggers

Budget revision triggers

- A budget virement between a cost category **level 1 only** – **at any point** i.e. Project Delivery, Monitoring and Evaluation and Central Administration and Overheads

- A budget virement within a **cost category level 1 only** i.e. Project Delivery, Monitoring & Evaluation and Central Administration & Overheads **between fiscal years**

- A budget virement between **outputs** at any point where proposed virement **> 10%** of the current project budget for any output

- A budget virement between a **cost category level 2** at any point where proposed virement **> 10%** of the current project budget for any cost category level 2

In order to avoid the deduction of approval adjustments and the need to submit a budget revision for approval by the FM, Recipients are encouraged to adhere to the following budget management protocol wherever possible.

Table 8.   Budget management

Budget management

1. Do not exceed the fiscal year budget at a **cos**t **category level 1** i.e. Project Delivery, Monitoring & Evaluation and Central Administration & Overheads

2. Do not exceed the fiscal year budget for an individual **output level** by an amount > 10%

3. Do not exceed the fiscal year budget at an overall **cost category 2 level** by an amount > 10%

Revision request and approval

Where Recipients do need to complete a budget revision, this will be at a detailed level for internal management and planning purposes.

The FM requires revisions at the FMS budget format level only.

Recipients are encouraged to plan proactively and anticipate when changes in project design and delivery are likely to require a material (i.e. >10%) virement of funds between outputs or any virement between fiscal years. The virement of funds between level 1 cost categories, resulting in a reduction in the Project Delivery budget is discouraged and unlikely to receive approval from the FM.

If required, Recipients should submit budget revisions in the first two months of the reporting period only. Budget revisions received in the final month of a quarter may not be reviewed until the following quarter – this is due to the timing of the Request for Funds submission.

Recipients should continue working to their original budget until the FM communicates approval of the revision request and the Recipient has confirmed their acceptance, via email, to the FM.

How? After identifying a need for a revision based on the triggers above, Recipients should follow the process below.

- Recipient notifies the FM that they are preparing a budget revision.

- Recipient completes the budget revision template using the GEC Budget Revision Template. This template is specific to the Recipient's project and will be provided by the FM.

- Recipient emails the completed GEC Budget Revision Template to include appropriate explanations for any proposed movement between fiscal years, outputs and cost category level 1 and 2 to the FM.

- FM reviews and either approves or rejects the proposed budget revisions following discussions with the Recipient. The FM may request clarification on the request during the review.

- FM notifies the Recipient of approval and emails copy of new budget to the Recipient.

- Recipient confirms receipt and acceptance of new budget.

- FM uploads the budget to FMS.

How often? In principle budget revisions should be as seldom as possible but will be needed as required based on the operational demand in the projects. The FM would expect a maximum of *two budget revisions per year.*

When? To allow for budget revisions to be available to support Request for Funds and Quarterly Reports, a budget revision cannot normally be submitted after the first two months of a quarter.

Support for a budget revision outside this timeline will only be provided in exceptional circumstances.

Underspends/ overspends

Similarly, where Recipients become aware that they are unlikely to require their full budget allocation, they should notify the FM as soon as possible of their surrender amount and revised budget.

Recipients are responsible for managing the costs within their budget allocation and therefore additional funding will not be made available to those projects where costs have

overrun. Recipients will be required to meet budget overspends from their own resources. This includes cost overruns caused by any adverse fluctuations in exchange rates.

6.4.4. Currency/ exchange rates

All financial reports should be presented in £Sterling, using the **OANDA** "Average Exchange Rates"[11] (unless otherwise stated in the Special Conditions to the AGA). Recipients must use the **average exchange rate** for the **month** for all purchases or services acquired within that month. All grant payments will be made in £Sterling and therefore it is the responsibility of the Recipient to monitor and manage any exchange rate fluctuations across the life of their GEC project. It is expected that where a Recipient benefits from a gain in exchange rate within their GEC project, that this should be retained to offset any potential subsequent losses on exchange rate within their GEC project.

6.4.5. Bank account

Ideally, Recipients should hold a separate bank account for the sole use of the GEC project. Where this is not possible the Recipient should ensure that all GEC receipts and payments are clearly identifiable within the bank account used for GEC funding.   It is expected that the Recipient will retain the same bank account for the duration of the project and any changes to banking arrangements during the period of the project must be agreed with the FM.

Only GEC project related bank charges are eligible expenditures (excluding fines).

Any interest accrued from the investment of funds received may, with the FM's prior written consent, be used to either: offset administration costs for the project; or fund additional project activities (this must be agreed, in writing, with the FM in advance).

In the event of any changes to the bank account used for your GEC project shown the Recipient must notify the FM immediately. The FM will advise Recipients as to the process and documentation required to change the bank account into which Recipient's GEC payments are remitted i.e.

- Bank confirmation letter/email from the Recipient's bank confirming the name of the organisation, account number and sort code. OR

- Bank statement on bank letterhead with the name of the organisation, account number and sort code

6.4.6. Cash handling

It is recognised that in some jurisdictions, cash payments cannot be avoided. In these extreme instances, a cash handling process should be put in place. Typically, the following controls and processes will be expected:

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[11]Average Exchange Rates | OANDA The webpage contains a function at the through which, for any given month, average exchange rates for all GEC-country currencies can be obtained. The **inter-bank ask price** should be used.

- One designated person within the Recipient organisation to have responsibility and sole access to the cash (referred to as the 'cash handler')

- Another individual must be designated to supervise cash handling on a regular basis (typically the Finance Manager)

- Cash should be held on premises for as short a period of time as possible and when being held must be held in a safe or similar secure facility

- The 'cash handler' is responsible for reconciling cash funds to receipted purchases

- A 'cash book' must be maintained which details all cash payments made, the payee and details of the purchase or disbursement (including receipts).

Where Recipients carry out cash purchases or disbursements at different sites, this process should be replicated as required.

6.4.7. Financial documentation

Recipients are required to retain all project-related financial documentation and receipts for a period of (1) 5 years after the end of the end of the AGA (in relation to non-profit funding recipients), and (2) 6 years after the final payment date of all sums due to the Recipient (in relation to for-profit Recipients). The FM and DFID reserve the right for any DFID appointee to inspect the financial documentation relating to Recipient's project.

Furthermore, Recipients are required to ensure that their independent auditor completes an audit of the GEC funding. This is discussed further in the section below.

6.4.8. Annual audited accounts

The Recipient is required to ensure that annual external audits are commissioned on time and that audit reports and management letters are provided to the FM. An audit is required for each of the financial years covered by any part of the GEC grant showing the GEC grant as a separate item of income and associated expenditure. If the Recipient is unable to show the grant as a separate line item of income, they must supply a separate auditors' certification confirming the total income and expenditure of the GEC grant, together with the annual audited accounts.

One copy of the annual audit accounts, together with any necessary certificates, must be sent to the FM **within 6 months of the end of each financial year** or as otherwise set out in the Special Conditions. It is expected that Recipients comply with all statutory requirements for timely completion of an annual external audit.

Where the FM decides it is needed, they may require the provision of additional audit evidence in relation to the use of GEC funds. Failure to present the annual audited accounts prepared in line with the requirements above and any additional requirements specified in the Special Conditions, may result in the need for further audit work and the potential suspension or cessation of GEC grant funding.

6.4.9. Asset Register

Any equipment and/or supplies purchased from GEC funding are considered as assets if they have a **useful life of more than one year** and either:

1. The purchase price is **>£500**
2. Is a **group of lower value items** (e.g. pharmaceutical products, food, relief packs etc.) where the combined value is **>£500**
3. Can be considered an **attractive item** regardless of cost (e.g. mobile phones cameras, laptops, tablets, satellite phones)

Recipients must maintain a register of assets of equipment purchased from GEC funding, using the form supplied at Appendix F. An up-to-date version of the inventory must be supplied to the FM on an annual basis (**one month after the GEC project year-end**) for review and verification by the Country Finance Monitor. Recipients are responsible for on-going maintenance, any taxation or duties, security and liability insurance and any other on-going costs relating to any equipment or goods purchased for the purposes of carrying out GEC project activities.

Purchase of assets from GEC-LNGB funding in the last year of the project is discouraged and Recipients must seek the permission of the FM before incurring this expenditure.

DFID will retain ultimate ownership of all project assets until asset disposal is agreed, normally at the end of the project.

There are **four possible available options** for asset disposal. These are ranked in order of preference. **Each option will be considered** in turn by the FM in order of preference and feasibility and eligibility criteria will be applied in deciding and agreeing the most suitable option for a project i.e. Option 1 must be exhausted before proceeding to Option 2.

Table 9.   Options for asset disposal

No	Option	Criteria	Responsibility
1	Transfer the asset to another GEC project **in-country.**	1. Suitable GEC project in-country 2. No disproportionate transfer costs 3. No adverse decommissioning implications for project organisation	**FM** to identify and decide suitable incoming project. **Project transferring asset** to advise FM of any disproportionate transfer costs and/or adverse decommissioning implications for organisation. **Project receiving asset** to confirm to the FM in writing when assets have been received, include all assets on GEC Fixed Asset Register and confirm treatment of asset in accordance with AGA / contract conditions.

			Project receiving asset to confirm in writing (in line with DFID SMART rules) that
			1. The asset will be put to a good developmental purpose.
			2. The Recipient has adequate resources to maintain and operate the asset.
			3. The item will not be sold or disposed of, or diverted for another purpose, within a reasonable time period.
			4. The Recipient has adequate controls in place to ensure that the assets are used as intended.
			5. Any local requirements, regarding duties and taxes, or any other formalities, on transfer will be met (if applicable).
			6. IT equipment is disposed of in line with EU Waste Electrical and Electronic Equipment (WEEE) Regulations and all personal data will be removed.
2	Transfer the asset to another DFID funded project **in-country.**	1. Suitable incoming other project in-country is identifiable 2. No disproportionate transfer costs 3. No adverse decommissioning implications for project organisation	**DFID Country Office** to identify suitable project and be responsible for the transfer. **Project transferring asset** to advise FM of any disproportionate transfer costs and/or adverse decommissioning implications for organisation. **Project receiving asset** to confirm in writing (in line with DFID SMART rules) that 1. The asset will be put to a good developmental purpose. 2. The Recipient has adequate resources to maintain and operate the asset. 3. The item will not be sold or disposed of, or diverted for another purpose, within a reasonable time period. 4. The Recipient has adequate controls in place to ensure that the assets are used as intended. 5. Any local requirements, regarding duties and taxes, or any other formalities, on transfer will be met (if applicable). 6. IT equipment is disposed of in line with EU Waste Electrical and Electronic

			Equipment (WEEE) Regulations and all personal data will be removed.
3	Recipient purchases asset from DFID at an agreed value i.e. Net Book Value (original cost of asset, less any accumulated depreciation)	1. **NBV** of individual asset > **£500**. 2. If Recipient is unable to fund this purchase, this must be clearly explained to the FM	**Recipient** to provide NBV and substantiate calculations via fixed asset register and depreciation policy. FM to make arrangements for payment e.g. deduct from final grant payment to Recipient.
4	DFID gifts the asset to the project (goodwill gesture)	1. **NBV** of individual asset **< £500**. 2. **NBV** of individual asset **> £500** 3. **Only** where **all other options** have been **exhausted**.	**Recipient** to provide NBV and substantiate calculations via fixed asset register and depreciation policy. **DFID** to confirm that assets may be retained by organisation at no charge. Project to confirm that: 1. The asset will be put to a good developmental purpose. 2. The Recipient has adequate resources to maintain and operate the asset. 3. The item will not be sold or disposed of, or diverted for another purpose, within a reasonable time period. 4. The Recipient has adequate on-going controls in place to ensure that the assets are used as intended.

Recipients must submit their fixed asset disposal plan to the FM **3 months prior to their project end date**. Recipients should populate the relevant sections of the form supplied at Appendix F as follows:

1. Update current GEC asset register for all **individual** assets purchased using DFID funding with a purchase cost >£500.

2. For each asset listed include a comment on the register indicating the preferred disposal option (please note the qualifying criteria for each option)

3. Provide the required additional information as applicable in support of the preferred option (for options 3 and 4 please also include NBV on the asset register).

6.5. Accountable Grant Arrangement/ Contract amendments

6.5.1. Circumstances

Amendments to the AGA or contract will be kept to a minimum. The FM will manage the amendment process; however, DFID may be involved in decisions regarding amendments.

The following list sets out changes which will require an AGA amendment; however, this list is not necessarily exhaustive.

- Changes to the project that could impact the developmental impact of the project, for example changes to outputs and/or activities, target beneficiaries or geographical focus
- Changes to the overall grant amount
- Changes to Key Personnel named in the Special Conditions of the AGA.

6.5.2. Procedure for requesting an amendment

The process will be as follows:

- The Recipient may request an AGA amendment by writing to the FM
- The Recipient will set out the rationale for the proposed amendment and its anticipated impact, before the amendment is implemented
- The FM shall have the right to request changes to an amendment request, approve it or reject it. The FM will respond to these requests as quickly as possible
- No proposed AGA amendment shall be implemented by the Recipient until such time as an AGA amendment (in the form of the DFID standard amendment letter, or otherwise as agreed by the FM) has been signed and issued by the FM.

Until such time as an AGA amendment has been signed and issued by the FM and unless the FM expressly agrees otherwise in writing, the Recipient shall continue to implement the project in accordance with the existing AGA, as if the proposed amendment has not been agreed.

The Recipient shall bear all costs in relation to the preparation of any amendment request they make to the FM and shall not expect this to be reimbursed with GEC funding.

6.6. Insurance

The recipient shall bear all costs in relation to commercial insurance of assets and insurance premiums intended to cover medical expenses, injury or disablement and death of persons employed by the Recipient and Downstream partners unless, by exception, explicitly agreed in writing in advance. HM Treasury permits the purchase of commercial insurance in certain limited circumstances as part of a risk management strategy. These circumstances outlined by HM Treasury guidance include, amongst others:

a. **Commercial initiatives**: because these activities are outside the government's core responsibilities, losses on a department's discretionary commercial activities could reduce resources available for its core activities. It will usually therefore make sense to insure them. Any goods used for services sold to other parts of central government should not, however, be insured.

b. Where commercial insurance is **integral to a project**: e.g. where private contractors insist, it may be appropriate to purchase insurance even if the net benefit is negative. But this may be a sign that the project needs restructuring to avoid any requirement to buy commercial insurance, perhaps through letters of comfort or statements of support. The costs and benefits of taking out insurance should be included in the appraisal of the project as a whole.

Specific examples provided by Treasury include insurance of vehicles under the Road Traffic Acts, and physical assets where a cost benefit analysis supports the case for insurance and the sponsor department agrees.

Should Recipients require commercial insurance as part of their project they need to demonstrate they have acceptable reasons for using insurance to the FM and DFID. This can be done by completing and submitting a 'Request for Commercial Insurance', see Appendix M, to the FM prior to contracting.

The information required by HM Treasury is summarised below:

a. **Outline the basis for requirement**: This may use the examples provided above but should demonstrate the need for insurance and how this forms part of an organisations risk management strategy.

b. **Details of insurance** required under GEC: Including value and type of insurance.

c. Provide an **objective cost-benefit analysis**. HM Treasury require the use of the *Green Book* to base this on. This should clearly demonstrate value for money.

7. Other policies

In the implementation of the GEC project, all Recipients are expected to adhere to the same high ethical and operational standards that DFID expects of itself and its suppliers. The policies included here may be supplemented at any time in writing by the FM. Recipients are expected to provide evidence of adherence to these policies upon request.

7.1. Sub-contracting[12]

Although Recipients may delegate delivery of specific aspects of their projects to Downstream Partners or other third parties, the Recipient will remain solely accountable for delivering the project as per the terms of the AGA.

It is expected that a proper legally binding agreement is in place between a Recipient and its Downstream Partners. Any applicable terms of the AGA must be flowed-down to Downstream Partners. The FM is unable to offer advice on the nature of legal agreements between Recipients and Downstream Partners, but the Recipients should seek independent legal advice if they feel it is necessary.

Any such agreements must be made available to the FM and Evaluation Manager upon request.

7.2. Delivery chain risk mapping

Recipients will maintain an up to date and accurate record of Downstream Partners in receipt of DFID funds using the form supplied at Appendix L. This delivery risk map should demonstrate how funds flow from the initial source to end beneficiaries, and the risks and potential risks along the chain.

The delivery chain risk map should be updated regularly by the Recipient and when there are material changes to the project risk assessment and/or to delivery partners in the chain. As a minimum the Recipient will provide DFID with an updated delivery risk map at the following intervals:

- **Within 180 days** of the commencement of their AGA/contract
- **Annually**, as part of the annual review process
- At the **end of the project**, as a part of the project completion review process

7.3. Employment of project staff

Recipients and their Downstream Partners should treat all their employees and contractors fairly and respect their dignity, well-being and diversity. They should also comply with the

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[12] Note: all references to "Downstream Partners" in this Handbook shall be deemed to refer to "Sub-contractors" in relation to for-profit Recipients in relation to their applicable Contract.

International Labour Organization (ILO) Fundamental Conventions[13] and with the United Nations (UN) Universal Declaration of Human Rights[14].

Recipients and their Downstream Partners should have HR policies in place protecting staff, consultants, volunteers and others engaged in the delivery of the project from sexual exploitation, harassment and abuse.[15] Recipients and Downstream Partners not be involved in the production or activities involving harmful or exploitative forms of forced labour[16]/harmful child labour[17].

The Recipient will ensure that the organisation and its partners, have employment policies and procedures in place that ensure appropriate consideration of equal opportunities in the recruitment and selection of project staff. The issue of what is appropriate will be a matter for DFID's sole discretion.

If the grant is (in whole or in part) to enable the Recipient or one of its Downstream Partners to fund a new post and in the event that the position is provided by your Downstream Partner, the Recipient should ensure that the vacancy is advertised externally, using appropriate media (including media that could attract disadvantaged groups). The Recipient and in the case of a Downstream Partner, the Recipient should ensure the partner makes sure every advertisement is in accordance with current best practice. They should also acknowledge that DFID has provided funds to the Recipient in support of the objectives to be achieved by the Recipient organisation's intention to employ the person for the post advertised. This applies to any re-advertisement. Records of the job descriptions, lists of the publications where the advertisements were placed, and copies of letters of appointment must be maintained. The Recipient is responsible for ensuring that such information is obtained from any of their partners concerned. The issue of what is current best practice will be a matter for DFID's sole discretion.

The Recipient will maintain records of staff recruited by all implementing parties pursuant to your AGA including their names, their salaries and their start and, if appropriate, end dates and give the FM this information, if requested.

If the Recipient or the Downstream Partners intend to change any of the key experts included in your Project Full Application, the Recipient will need to find a replacement with a similar level of expertise and seek the FM's approval for the proposed change.

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[13] The ILO Fundamental Conventions are the Conventions on Freedom of Association and Collective Bargaining; Forced Labour; Child Labour; and Non-Discrimination, as may be amended from time to time. See www.ilo.org/ilolex/english/docs/declworld.htm for the texts of these Conventions and a list of the countries that have ratified each of them.

[14] www.un.org/Overview/rights.html

[15] This should include an awareness of the level of safeguarding risk for each role, appropriate competency-based interview questions where organisations use competency-based interviews and mandatory safeguarding and whistleblowing induction and refresher training.

[16] Forced labour means all work or service, not voluntarily performed, that is extracted from an individual under threat of force or penalty.

[17] Harmful child labour means the employment of children that is economically exploitive, or is likely to be hazardous to, or to interfere with, the child's education, or to be harmful to the child's health, or physical, mental, spiritual, moral, or social development.

The Recipient will maintain all financial records including personnel and payroll records for the staff for (1) 5 years after the end of the end of the AGA (in relation to non-profit funding recipients), and (2) 6 years after the final payment date of all sums due to the Recipient (in relation to for-profit Recipients). The Recipient will ensure its Downstream Partners employing staff referred to in the above paragraph also meet this requirement.

If these requirements are not observed by a Recipient then the FM may withhold funds until they are satisfied that the requirements are being complied with.

7.4. Procurement

If any of the requirements listed below are not observed by a Recipient then the FM may withhold funds until they are satisfied that the requirements are being complied with.

7.4.1. Selecting suppliers

Recipients must ensure that any procurement using grant funds is conducted in accordance with international good practice and applicable regulations, demonstrates value for money, does not contravene UK anti-bribery legislation, uses transparent, fair and openly competitive processes and demonstrates good contract management, including prevention of malpractice.

Recipients should source goods and services from suppliers that clearly offer value for money and whose work place practices meet corporate social responsibility standards. For information a copy of DFID's guidance on Corporate Social Responsibility can be found at Appendix E.

More information on procurement is included in the Accountable Grant Arrangement.

7.4.2. Large or high risk procurements

If the FM has identified any large (>£100K) or high risk procurements that the Recipient will be undertaking during their Project, additional procurement requirements may be added in relation to these. Any such large or high risk procurements identified in the Recipient's Project, along with the additional procurement requirements in relation to them, will be detailed in the Recipient's AGA.

The FM may be able to link the Recipient to a DFID procurement agent if support is required in undertaking large purchases. Please discuss this with the FM.

7.5. Approach to risk

All Recipients must maintain an up-to-date risk register that, as a minimum, enables all project risks to be clearly identified, an assessment of their likelihood and impact and how they will be managed and mitigated. Both the quarterly reports and the annual reports (see section Recipient reporting and monitoring 3.2) include a risk section where the Recipients must report risks to the FM. All risk registers must cover safeguarding risks. Approach to risk management and escalation procedures should be made clear to all partners.

The Portfolio Manager will discuss risk with the Recipients during their regular correspondence, as well as the actions to be taken to mitigate those risks. It is the Recipient's responsibility to ensure that the FM is kept aware of risks arising.

Where a Recipient transfers risk to any Downstream Partner, the Recipient will remain accountable to DFID for the effective management of that risk.

7.6. Dispute resolution

Should the Recipient wish to dispute any matter in relation to their AGA or their Contract, including any of the decisions made by the FM in respect of withholding funds requested, the Recipient should in the first instance contact their Portfolio Manager, in writing, setting out the reasons for the dispute and why they believe it has arisen; and invoke the resolution process as set out in this section Dispute resolution 7.6 and in accordance with the Escalation Policy set out in section 7.7 of this Handbook.

Unless agreed otherwise, both the FM and the Recipient shall continue to comply with their respective obligations under an AGA or a Contract regardless of the nature of the dispute, while a resolution is sought.

7.7 Escalation policy

The FM recognises the importance of providing a route for Recipients to escalate issues/concerns within the FM team. While the Portfolio Manager is the first point of contact for Recipients, the escalation process is in place should Recipients not feel that issues/concerns have been addressed satisfactorily by their Portfolio Manager. The FM is committed to supporting Recipients in all aspects of their GEC projects and providing rapid and effective responses to Recipient needs.

The escalation process is described below:

1. Recipients are asked to set out in writing to the GEC FM Team Lead (via the GEC mailbox gecpmo@uk.pwc.com) where they feel there are issues or concerns that are not being adequately resolved by the Portfolio Manager (or others) on a day to day basis or they have a complaint. This mailbox will be managed by the Programme Management Office and all emails of this nature will be collated and forwarded to the FM Team Lead on a daily basis.

2. The Team Lead will review the correspondence, share it with relevant members of the FM team and identify the appropriate FM Team Lead that will coordinate the response. Should the FM Team Lead be unavailable, the FM Portfolio Lead will act as a deputy. Should the Team Lead require guidance, he/she will consult the FM Engagement Partner and/or the FM Quality Value Partner (QVP) as appropriate.

3. The Programme Management Office will acknowledge receipt of the correspondence within one working day, log the correspondence and responsible team lead and provide the Recipient with a unique reference number to be quoted on all future

correspondence. This individual will communicate the response deadline to the FM Lead responsible.

4. If appropriate, a telephone call or meeting will be organised with the Recipient to discuss their concerns in more detail. This will involve the FM Team Lead, Engagement Partner and appropriate FM lead(s).

5. The FM will aim to respond to the Recipient in writing no later than ten working days following receipt of the original notification. This response will seek to resolve the issue(s). The response will be sent by the FM Team Lead and reviewed by the FM Engagement Partner prior to issue.

   (DFID will be informed of any issues/concerns or complaints raised by a Recipient following this process. Progress and resolution will also be reported during this meeting.)

6. The FM will provide a clear briefing to DFID to enable the GEC team to engage effectively in the resolution of any issue that requires their input.

7. If Recipients feel that their concern has not been fully resolved by the FM via the above process they will be invited to contact DFID in writing [Willie Taylor W-Taylor@dfid.gov.uk] quoting the original reference number provided by the FM.

8. Should an issue/concern be escalated to DFID in this manner, the FM will fully support DFID to address the outstanding concerns. In this regard, a response from the FM will be provided in writing to DFID within five working days of this being required by DFID.

9. DFID will respond to the Recipient in writing within ten working days of receipt of any notification from the Recipient in accordance with the 7th stage of this escalation process.

10. If the Recipient feels that its concern has not been fully resolved following DFID's written response at 9th stage of this escalation process then the matter will be escalated for resolution between the Head of Education Policy Team at DFID and the chief executive officer or equivalent head of the Recipient's organisation.

11. Where the Head of Education Policy Team at DFID and the chief executive officer or equivalent head of the Recipient's organisation are not able to resolve the matter within ten working days of when it was first escalated to them for resolution, then:

    a. Where the Recipient is party to a Contract, the provisions of the Contract in respect of "Amicable Settlement" shall apply; or

    b. Where the Recipient is party to an AGA the dispute will be referred to mediation in accordance with CEDR (Centre for Effective Dispute Resolution in London, UK) procedures. If the Recipient and DFID fail to agree terms of settlement within 90 days of the initiation of the procedure, the dispute shall

be referred to an arbitrator as agreed between DFID and the Recipient or failing such agreement as may be nominated by the President of the Law Society of England and Wales upon application of either DFID or the Recipient. The initiation of the procedure is defined as the written request to CEDR by either DFID or the Recipient for a mediation provided that such request is copied to the other party.

    c.   The decision of the arbitrator shall be final and binding on both DFID and the Recipient and the seat and place of arbitration shall be London.

7.8. Whistle blowing investigation procedures

The GEC is committed to its aim of improving the education outcomes of marginalised girls and takes any instances of alleged dishonest or illegal activities (misconduct) extremely seriously.

Accordingly, the FM has created a whistleblowing address through which third parties are able anonymously report any misconduct or illegal activities. The e-mail address for this is gecpmo@uk.pwc.com which is monitored on a regular basis. The FM has also ensured that training has been delivered to those personnel who are likely to receive reports on the whistleblowing address, so that these can be dealt with sensitively and effectively.

The FM will treat any feedback or issues raised regarding misconduct in the strictest confidence. We will protect anonymity in so far as it is reasonably possible for us to do so and investigate claims thoroughly and fairly. There will be no reprisals for the whistleblower. Whistle blowing investigations are undertaken in liaison with DFID's investigations team to maintain a fair and impartial approach.

7.9. Incident reporting

For DFID-funded projects, there may be local arrangements or procedures that require the Recipient to advise your local DFID Country Offices of any security or other adverse incidents that occur. Where defined and in force, these procedures should be followed, but Recipients should in parallel inform the FM if the incident relates to or is associated with a GEC funded project. This should in the first instance be reported to the Portfolio Manager by call or e-mail.

Where the incident is a critical one requiring an urgent and timely response, the following applies:

The FM defines a critical incident as: *Any incident where the effectiveness of the response is likely to have a significant impact on the safety or confidence of personnel and/or stakeholders involved.*

Although this primarily covers serious security incidents there may be incidents that are minor in themselves, but because of the circumstances and potential damage to the programme's reputation, the FM will consider them as critical incidents.

Accordingly, the FM has a critical incident handling protocol to allow such matters to be given the urgent priority and attention they require.

The Recipient may report a **critical** incident to the FM by the following means:

Call or SMS your Portfolio Manager (during office hours); or

Call the 24-hour GEC emergency line on +44 20 7212 1100 (Pass code: 1122)

7.10. International aid transparency

7.10.1. Introduction to IATI

The International Aid Transparency Initiative (IATI) is a multi-stakeholder initiative that has brought together donors, developing country governments, civil society and aid information experts to agree on an international standard for publishing more, and better, information about aid.

It is relevant to all Recipients because the UK, through DFID, is one of IATI's original signatories and was the first donor to publish aid data to IATI standards in 2011. DFID is committed to being transparent in how it spends its aid so that UK taxpayers and citizens in developing countries can more easily hold Britain and Recipient governments to account for using aid money wisely. This commitment means that all DFID-funded GEC activities must also meet this standard.

DFID believes that improving the transparency of how UK taxpayers' aid money is spent and making this information easier to find, use and compare will help to increase its effectiveness in tackling poverty. Recipients will note that adhering to IATI and being transparent more generally could help them to build stronger internal stakeholder relationships and credibility with external stakeholders including local governments and communities, customers, suppliers and civil society.

The overall ambition of DFID is that all downstream partners publish to IATI to ensure full transparency throughout the delivery chain and to enable DFID to "follow the money".

Key aspects of meeting IATI requirements include:

- **Recipients** will be expected to publish their own IATI-compliant data within 6 months of the start of the AGA. Subsequently, recipients must publish data on at least a quarterly basis - either on their own websites or through a third-party website. This requirement is only mandatory for activities that are funded by DFID (rather than activities that are funded through any match-funding). However, Recipients are strongly encouraged, as a matter of best practice, to publish more broadly on their GEC activities to the IATI standard.

- It is the **expectation** of DFID that **all downstream partners** throughout the GEC delivery chain should also publish all of their funding. Where funding passes through the Lead Organisation to Downstream Partners, the Lead Organisation is responsible for ensuring that each partner publishes IATI compliant data within 6 months of the

start of the AGA. Subsequently, recipients must publish data on at least a quarterly basis, either on their own websites or through a third-party website. The Lead Organisation should ensure that the partner's commitment to providing this information is reflected into any legal agreements governing their collaboration on GEC activities.

Lead partners should work with their immediate downstream partners (Tier 1) to agree a reasonable implementation schedule and report this to the Fund Manager in the IATI section of their Quarterly Finance Report.

Delivery partners in turn should work with their own immediate downstream partners (Tier 2) to support and agree a realistic implementation schedule. This process should be continued throughout the delivery chain.

Whilst Lead Partners are expected to encourage their downstream partners to publish all of their funding (DFID and non-DFID) as a matter of good practice, DFID does not require Lead Partners to monitor or enforce the publication of non-DFID funding.

It is **not a current requirement** of DFID that **GEC partners publish logframe results** on a quarterly basis.

7.10.2. Information to be published under IATI

The IATI Standard is designed to give a high degree of transparency, so the information requirements are therefore significant and detailed. Full details of the information that needs to be published at both an organisational and activity level are available on the IATI Standard website (http://iatistandard.org/). The IATI does not require every transaction or activity to be published in a disaggregated way, but does ask organisations to be transparent about any thresholds they set.

DFID recognises that some Recipients are for-profit businesses, and as such, may be sensitive about disclosing information publicly, particularly commercial information pertaining to their core business activities. Recipients (whether for-profit or not for-profit) can specify disclosure exclusions for publishing information that is deemed sensitive, which could include:

- Personal information that would intrude on the privacy of an individual or could contravene confidentiality

- Commercially sensitive information that could potentially harm the Lead Partner's and/or other parties' commercial interests

- Information that may pose a risk to the security or safety of any individual

- Information that is exempt from disclosure under other policies or regulations.

Any Lead Partners who wish to claim exemption from publication should contact the Fund Manager in the first instance. The Recipient's disclosure exclusion policy must be approved by DFID and should be made public.

7.10.3. Implementing IATI

To achieve IATI-compliance, there are typically five steps involved. These steps are not necessarily linear and are likely to overlap. Further detail on each of these steps is provided in Appendix D.

- Assess: an initial feasibility assessment
- Commit: an internal and public commitment
- Develop: policies, processes and systems
- Publish: IATI-compliant data
- Improve: data with more detail, new data items, and new data sources

Additional resources

For further guidance, please consult Appendix O **"DFID IATI Guidelines (Policy**)" and appendix P **"DFID IATI Guidelines (Technical)"**.

There will also be an IATI-feedback@dfid.gov.uk mailbox to receive partners' questions and to provide support.

Recipients can refer to the following external resources for support in implementing IATI:

www.iatiregistry.org

www.bond.org

www.aidstream.org

In addition to providing guidance this resource will signpost Recipients to other tools and services.

7.11. Safeguarding Policy

The FM has an obligation to ensure the safety and protection of every child who participates in GEC funded projects. The GEC Safeguarding Policy for children and vulnerable adults states a commitment to safeguarding children involved in GEC activities in line with the principles underpinning the Convention of the Rights of the Child. The policy sets out the FM's commitment to safeguarding across FM and projects. Section 4 of the policy as outlined in Appendix B also sets out the protective framework for Recipients.

All Recipients will need to be fully compliant with 14 minimum standards related to organisational child safeguarding. This will be assessed through regular child safeguarding and do no harm self-audits and as part of the regular monitoring. Lead Recipients should provide documented evidence of their compliance with GEC minimum standards (both of policies and procedures and their implementation, for example attaching the relevant policies, meeting minutes and other records). Where improvement is needed, Recipients should develop an action plan to ensure adherence to the minimum standards in a reasonable time frame. The FM also reserves the right to delay or indefinitely postpone contracting based on these assessments, and to ask for the relevant child safeguarding,

protection and other labour policy documents and to test that they are implemented during the life of a GEC-funded project.

If a Recipient does not observe these requirements, the FM may withhold funds until compliance can be assured.

Table 10.   Child Safeguarding minimum standards[18]

GEC safeguarding standards	
These apply to all organisations receiving GEC funding (lead, downstream or other partners or contractors).	
Safeguarding	1. All organisations receiving GEC funding must have either an overarching/combined safeguarding <u>policy</u> or a combination of relevant policies which address bullying, sexual harassment and abuse targeted at both beneficiaries, including adults at risk, partner staff and staff within an organisation. 2. All organisations must have a separate child safeguarding policy which address all forms of sexual, physical and emotional violence towards children.
Whistleblowing	3. All organisations must have comprehensive systems for <u>escalating and managing concerns and complaints</u>. These must include the option of whistleblowing and for this to be available to both beneficiaries, including children and their caregivers, and staff without reprisal. 4. A clear <u>handling framework</u>, to respond appropriately to all concerns and support the survivor of violence must also be in place.
Human resources	5. All organisations must have a <u>human resources system</u> which includes effective management of recruitment, vetting and performance management. Vetting must include adequate screening and assessment of individuals that will have direct contact with children. 6. All staff, contractors, volunteers and other representatives of the organisation have at least a mandatory induction when they start and annual refresher <u>training</u> on the organisation's safeguarding policy (or bundle of policies), child safeguarding policy and whistleblowing.
Risk management	7. Each organisation must have a comprehensive and effective <u>risk management</u> framework in place which includes reference to both safeguarding and a detailed risk registers for the LNGB project. The LNGB risk register must include reference to safeguarding risks, including those for children. 8. Each organisation must have procedures in place to make sure that safeguarding processes and standards are also upheld for any <u>partner, contractor or supplier</u> they work with.

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[18] Lead Recipients have a responsibility to share these standards with Downstream Partners. Self-audit tools should be completed covering Downstream Partners as well as Lead Recipients.

Code of conduct	9. Each organisation needs to have a <u>code of conduct</u> which is applicable both inside and outside of working hours. This needs to set out the ethics and behaviour expected of all parties. 10. Specific behaviour protocols must be in place outlining <u>appropriate and inappropriate behaviour of adults towards children</u> (and children to children).
Governance and accountability	11. Effective <u>governance and accountability</u> standards must be in place within all organisations with the Board holding ultimate responsibility for safeguarding. 12. <u>Designated safeguarding Officers</u> must be found at different levels including at least at senior level in the country office and at the Board. 13. There are clear guidelines for monitoring and overseeing implementation of the policy (policies). 14. All safeguarding incidents and allegations must be <u>reported to the GEC Fund Manager</u> within 24 hours.

The GEC Safeguarding – children and vulnerable adults policy can be found in Appendix B.

7.12. Do No Harm

Do No Harm (DNH) is a best practice framework which was devised to help development actors apply conflict sensitivity to their programming. In 2016 the FM issued a revised 'Do No Harm' policy to cover all GEC funded activities and this policy has more recently been updated in February 2018. The DNH policy obliges Recipients to consider both the intended and unintended consequences of their projects and to what extent they could have unintended negative impacts, such as entrenching inequalities, leading to backlash or put children or communities at risk. The DNH framework is particularly important in conflict and fragile environments but should also be used by fund Recipients outside of these contexts.

The GEC recognises that by intervening anywhere we become a part of the dynamics and relationships in that place, whether through investing resources or simply through our presence. In conflict-affected and fragile settings, societal relationships are more fluid, social norms are contested, and competition within society is heightened and violent. The GEC's DNH policy helps it understand how its presence interacts with the wider environment in which it is working in such circumstances and seeks to avoid or mitigate negative impacts.

7.13. Risk management and mechanisms

7.13.1. Risk management

The following steps are taken to identify and manage risk:

Prior to project implementation

- Due diligence of Recipients – to assess the risks associated with the organisation and the financial and technical management arrangements in place before the start

of the project. This due diligence identifies the risk profile of projects and informs the targeting of risk monitoring resources throughout project delivery.

During project implementation

- Development and regular update of a risk register, including safeguarding risks, with clear mitigating actions and identifiable owners.

- Regular in-country monitoring and reporting to make Recipients aware of and adhere to accountability obligations

- Review of annual external audits, management letters and follow-up measures taken as a result of adverse or qualified audit opinions and reports from internal Recipient audits where possible

- Review of documentation centrally submitted with the grant request.

Downstream partners

The Recipient will undertake suitable due diligence and take the necessary steps prior to transferring DFID funds and at regular intervals throughout the project implementation to assess the internal controls and systems of any Downstream partners. These assessments will be shared with the FM upon request and should determine, relative to project risk the:

- the reliability, integrity and efficiency of the Downstream Partners' financial controls, systems and processes, including compliance with relevant legislation, rules, policies and procedures;

- whether the Downstream Partner can successfully deliver a programme based on its processes, past experience and whether they have the sufficient staff capacity and capability available;

- the financial health of the Downstream Partner and its ability to correctly manage and account for aid monies and assets; and

- whether the Downstream Partner has sufficient capacity and capability to properly monitor and control their implementing partners.

7.13.2 Anti-bribery and anti-corruption policy and safeguards

The UK Bribery Act 2010 came into force on 1 July 2011. It amends and reforms the UK criminal law and provides a modern legal framework to combat bribery in the UK and internationally.

Recipients are bound by their AGA or contract to ensure that they and their representatives at all times act in compliance with all applicable anti-corruption, anti-fraud and anti-bribery legislation (including, without limitation, the UK Bribery Act 2010) as well as counter terrorist financing legislation. Any breach of this provision by a Recipient gives DFID the right to terminate the AGA or contract if they wish to.

7.13.3 Identification of fraud and corruption

The term 'fraud' means any intentional act of deception committed by a Recipient, a Downstream Partner, a supplier and/or other third party receiving GEC funding. It includes financial misappropriation, corruption, collusion in procurement, financial misconduct and irregularity in programmes and projects financed by the GEC.

Recipients play an important part in the GEC FM's ability to identify and deal with fraud and corruption and/or the risk of fraud. They have a duty to 'red flag' any fraud, or suspected fraud, related to GEC-funded projects that may arise. The FM requires them to forward to the FM any allegations or knowledge of fraud, abuse, misappropriation or corruption involving GEC funded operations using the *Misuse of Funds Incidents Report*[19] (see Appendix H).

Recipients have a duty to:

- Immediately notify the FM of any incident(s)

- Complete the Misuse of Funds Incident Report (the FM will issue this to the Recipient)

- Promptly progress the investigation of the incident and consult the FM on proposed action to be taken. (In some cases, the FM may instigate a direct investigation).

The FM will consider the nature, severity and materiality of the incident and may suspend GEC funding payments pending satisfactory resolution of the incident in line with the FM requirements, or terminate the GEC arrangements with the relevant recipients (as contemplated in the AGA/Contract). This will include advising the FM of mitigating actions to be taken to prevent further incidents and of how DFID funds, lost as a result of the incident, will be replaced. The FM will also consider suspending funding if a whistleblowing allegation is received directly by the FM, and/or the FM requesting the recovery of all or part of the DFID funds paid in relation to the AGA/Contract.

7.14 GEC communications

Please note that all public communications related to a GEC project require approval from the Department for International Development (DFID). This can be done via the FM.

In the first instance, it will be helpful to provide an outline communications strategy or overview. This should include key messages, target audiences and the main channels of communication (including press notices, social media and online platforms, events and materials).

Use of the UK aid logo must adhere to the guidelines that are set out in the document found at this link:

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[19] As a tidy-up point, note that PwC requested that this be described as a "GEC incident closure report" in the AGA (clause 100)

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/142579/Standards_for_use_of_the_UK_aid_logo.pdf

Please note that this also refers to exceptions for use.

If the Recipient has any queries, please contact the FM Communications Lead, Clare Convey at convey.clare@pwc.com

8. Appendix Documents

Appendix	Referenced in:	Document title	Document type
A	4.3 4.7	Outcome and logframe guidance paper for GEC-LNGB projects	Guidance
B	3.5 4.6 7.11 above	GEC Safeguarding – children and vulnerable adults policy, including Child safeguarding minimum standards *GEC Safeguarding policy to be updated to reflect DFID revised standards in due course*	Policy
C	6.2.1	Quarterly finance report	Template
D	3.5 7.10.3	Five-step IATI compliance process	Policy
E	7.4.1	Social and environmental factors in DFID procurement	Policy
F	3.2.4 3.5 6.4.9	Asset register	Template
G	2.1.1 7.12	Do No Harm	Policy
H	7.13.3	Misuse of funds incident report	Template
I	6.3.2 6.4.3	Cost categories	Guidance
J	2.1.1	Gender equality and social inclusion guidance	Guidance
K	3.5 6.3.4	Statement of funds	Template
L	7.2.	Delivery Chain Risk Map	Template
M	6.6	Request for Commercial Insurance under GEC	Template
N	3.2	Guidance for completing a Sustainability Plan	Guidance and templates
O	7.10.3	DfID IATI Guidelines (Policy)	Policy
P	7.10.3	DfID IATI Guidelines (Technical)	Guidance