

Independent Progress Review of Oxfam GB's DFID General Programme Partnership Agreement (PPA)

Final Report

October 2012



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Acronyms & Abbreviations

ACCRA	Africa Climate Change Resilience Alliance
APR	Annual Progress Report
ASALs	Arid and Semi-Arid Lands
BOND	British Overseas NGOs for Development
CaLP	The Cash Learning Partnership
CAT Fund	Catastrophe Fund
CHASE	Conflict, Humanitarian and Security Department (of DFID)
COP	Conference of the Parties (to the United Nations Framework Convention on Climate
CSO	Civil Society Organisation
DAC	Development Assistance Committee
DEC	Disasters Emergency Committee
DECAF	Disasters Emergency Committee - Accountability Framework
DFID	UK Department for International Development
DMI	Drought Management Initiative
ECHO	European Commission Humanitarian Office
EU	European Union
GPF	Global Performance Framework
HECA	Horn, East and Central Africa
HELIOS	OGB computerised online procurement system
HIT	Humanitarian Indicators Tool
HQ	Headquarters (Oxfam offices in Oxford UK)
HSNP	Hunger Safety Net Programme
HSP	Humanitarian Support Personnel
IDSMT	International Division Senior Management Team
IPR	Independent Progress Review
M&E	Monitoring and Evaluation
MDG	Millennium Development Goals
MEAL	Monitoring Evaluation Accountability and Learning
MEL	Monitoring Evaluation and Learning
NGO	Non-Governmental Organisation
ODI	Overseas Development Institute
OECD	Organisation for Economic Co-operation and Development
OFDA	Office of Disaster Administration
OGB	Oxfam Great Britain
OPTI	Occupied Palestinian Territories and Israel
PLT	Programme Learning Team
PPA	Programme Partnership Agreement
PPAT	Programme Performance and Accountability Team
QA	Quality Assurance
RC	Regional Centre
RSA	Republic of South Africa
SMS	Single Management System
TWADO	Turkana Women Advocacy and Development Organisation
UN OCHA	Office for the Coordination of Humanitarian Affairs
VFM	Value for Money
WASH	Water Sanitation and Hygiene

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Thank you.

Executive Summary

Background

The Independent Progress Review (IPR) is an early mid-term review of progress being made in the work supported by Programme Partnership Agreement (PPA) funding. It is required by the Department for International Development (DFID) as part of the PPA grant and covers the first 15 months of the 2011-2014 grant period. The purpose is to verify and complement the reporting after the first year under the Annual Progress Report (APR); assess Oxfam GB's reactions to comments on the APR from DFID and to evaluate the impact of the PPA funding on Oxfam and projects.

Oxfam approached the management of the PPA as part of the flexible funds that it would deploy to achieve its global aims of "reducing poverty, suffering and inequality through quality cost-effective and evidence-based humanitarian and development interventions." Oxfam has developed a Global Performance Framework to assess its progress towards six global outcomes that cover the major elements of its work.

Results

The IPR has seen sufficient evidence to confirm that the reporting in Oxfam's Year 1 Annual Review is accurate and appropriate. Progress towards outputs is very positive with Year 1 milestones exceeded in five out of six outputs. Milestones have been revised upwards in four of these cases. The impacts on improvements in livelihoods and reductions of suffering are significant and in line with APR assessments.

The Global Performance Framework and the effectiveness review processes are of great interest to DFID and were a key part of the PPA award. The progress evidenced here, and the continuing progress Oxfam is making with its framework, should result in a significant body of evidence to demonstrate the impact achieved through Oxfam's work (and hence the PPA), by the end of the PPA funding period.

The quality of Oxfam's data sources is improving and the innovative approach the organisation is taking towards global reporting and evaluation using interesting methodologies that can be challenging in international development must be commended.

Relevance

The IPR observed the systems in place to allocate funds and assign priorities at global, regional and country levels. Targeting within projects was observed in country visits. Oxfam demonstrated an ability to be reasonably flexible in adapting to the needs of its beneficiaries through the lifecycles of all its programmes and to adapt to unintended positive changes. Overall, the IPR found Oxfam to be an effective organisation in its allocation of resources and constantly working to improve its targeting at all levels.

Effectiveness

The impact of Oxfam's activities goes further and generates more value than is currently measured or measurable; for example, the significant amount of shared **learning** formally and informally distributed by Oxfam may be used by other organisations to improve their organisational effectiveness. However, this will not be known unless Oxfam finds a mechanism to track how such shared learning is being used by other organisations.

There is also considerable interest in the sector in the learning that may be developed from the effectiveness reviews. The nature of the sampling of Oxfam projects means that the value of the initiative will only be properly assessed towards the end of the PPA grant period. At this time, a sufficiently large number of projects will have been reviewed to allow overall evaluations and the country management teams concerned will have been able to evaluate the usefulness of the findings for their own programme learning.

Innovation is central to Oxfam's business model and is reliant on having access to unrestricted or flexible funding such as the PPA. The country reports from the three visits undertaken as part of this review all draw the link between innovation and independence (and in some cases reputation or respect) and the importance to innovation of flexible funding.

Partnership working appears to be central to Oxfam work and how Oxfam staff think about development work. The key point of partnership working is that it requires staff time and this is paid for through unrestricted funding. We were able to demonstrate that Oxfam has considerable success in operating and managing partnerships, often with unintended positive outcomes including additional capacity building, partners leveraging additional funding and new programmes being established to complement existing work.

Oxfam has improved efficiencies in its procurement and programme management through the introduction of new systems such as HELIOS or the upgrading of existing systems such as OPAL; and appears to be continuously looking for efficiencies in its operations.

Efficiency

Value for money (VFM) is integrated into Oxfam using the '4Es' approach, which fits comfortably with the Development Assistance Committee criteria used for this review. VFM is not seen as a separate process in Oxfam, but rather as part of the design and planning process for all programmes. Oxfam does not, however, report on VFM in its annual review in terms of the guidelines that have been produced. This will be possible once value for money criteria have been integrated into OPAL and a corporate policy in this kind of reporting has been agreed. This does indicate that value for money is still a new area for Oxfam, something that was reinforced during the country visits.

Oxfam has invested PPA and other funds in improving systems to deliver greater economies and efficiencies within the organisation. It has worked hard to increase the effectiveness of its Monitoring, Evaluation and Learning systems, processes and reporting in order to provide better data with which to take future strategic decisions that will in time increase further the effectiveness of its programming.

Sustainability

Oxfam has been able to develop clear leveraging power with its unrestricted and flexible funding, such as PPA funding, in order to obtain considerable additional funding through country offices and the headquarters in UK. The unrestricted funding has made it possible to maintain programme activities, extend programmes, respond to emergencies and enable other non-governmental organisations (NGOs) to leverage funds through capacity building and partnerships.

Impact of PPA

Through the interviews, country visits, online survey and document reviews we identified that the following areas demonstrate the importance of unrestricted and flexible funding like PPA:

- Innovation and flexibility
- Partnership working
- Shared learning
- Staff skills and experience

Flexible funding such as the PPA is an important element that enables Oxfam to remain responsive and innovative in its interventions. Losing such funding would slow down and interrupt programme delivery and affect organisational effectiveness. The 'softer', and sometimes unintended, benefits of improved capacity, shared learning and Oxfam's ability to lead in the sector, enable it to generate value as a result of having access to flexible funding such as PPA. This is an important way in which Oxfam's activities contribute to meeting DFID's business case theory of change.

We suggest that Oxfam's use of PPA as flexible funding alongside more traditional unrestricted funding does represent value for money as it has allowed the organisation to push ahead with significant systems improvements that are addressing efficiencies, economies, evidence gathering and reporting; and to provide beneficiaries with programmes they value and partnerships that enhance the partner NGOs.

The main impacts achieved as a result of receiving PPA funds were found to be:

- **Achievements at output level in all six themes** in the Global Performance Framework as reported in the logframe and APR. Achievements exceed the Year 1 milestones in most cases. In addition, there are achievements at outcome level. The IPR is confident in confirming the observations in the APR that livelihoods have been improved and suffering has been reduced.
- **Humanitarian responses enhanced and accelerated:** humanitarian responses in Kenya, Somalia and Pakistan have been examined and the evidence of the effectiveness of unrestricted funding is found to be overwhelming. Maintaining a standing capacity to respond quickly and using funds to pre-finance and bridge gaps in emergency funding have had important impacts on reducing suffering for hundreds of thousands of people. The IPR gives particular mention to this Outcome because it is able to identify impacts at this early stage of the PPA grant period.
- **Improved gathering of evidence through the effectiveness reviews:** the evidence that has been collected in the first 15 months of operations is largely considered to be valid and useful by country office teams. The full value will be realised when the full sequence has been completed and overall assessments of performance can be made.
- **Robust methods for assessing impact have been tested:** this is a corollary of the previous point but is significantly different since the learning around what the different methods can deliver and how best they can be made to work will be of value to a large number of actors in international development.
- **Culture moves in approach to assessment of results and performance:** the Oxfam culture was already committed to the assessment of results but the PPA effect has added drive and funds to this movement. The spending on additional MEL staff is an indicator of the long term investment in results-based management.
- **Improved sharing of learning with others:** the use of unrestricted funds has provided staff with the resources and time to be involved in a wide range of partnership, consortium and learning group activities in which ideas and information from Oxfam experience has been shared.
- **Leveraging additional funding** has taken place at country and central levels. The use of unrestricted funding in the Programme Funding Team has generated additional funds at a ratio of over 70:1.

Recommendations

We have developed recommendations that are relevant to the use of PPA in Oxfam and recommendations that are of more general relevance to Oxfam from observations during our review period.

PPA Specific

1. **Oxfam should consider ways of better tracking PPA spend internally.** However, this should be achieved without damaging or limiting innovation within the organisation and maintaining the flexible nature of the funding. It may be appropriate to consider transferring principles and processes from other sectors, such as an internal charging model from the private sector. Monitoring time spent on different types of support work and project work could provide insight into the attribution of the costs of some staff posts. There are many models and one could be tested in an office or a management line. Additionally, it may be worth considering how appropriate it would be to introduce the process of narrative synthesis for tracking 'softer' activities and building this into OPAL.
2. The Global Performance Framework is innovative and clearly has an impact on Oxfam's ability to track and report on its activities. However, **Oxfam should consider broadening the management and country-level staff ownership of the Global Performance Framework and its processes.** Currently the Framework and its processes are seen as driven by a few people within Oxfam House and although the effectiveness review processes and reports have been well received, broader ownership could help to improve reporting and process development. This IPR recognises that efforts are being made on this issue.
3. **Oxfam should review the effectiveness reviews process being used in determining effectiveness and impact of its programmes as part of the Global Performance Framework.** Oxfam should be more careful when selecting projects for the effectiveness reviews by ensuring that they have reached a sufficient level of maturity in order for their potential impacts to have manifested. The opportunity to use effectiveness reviews to carry out late evaluations of projects where impact might be better observed sometime after a project has closed should be seized where appropriate.
 - a. Doing impact evaluation on this scale within an organisation is new and to be applauded. However, impact normally takes some time to manifest and it may be more appropriate to consider **doing impact evaluations further in time from the completion of the programme in order to properly measure impact.**
 - b. Additionally it may be that **a different methodology is more appropriate to measuring effectiveness (not impact) at the point that the programme ends,** when impact is less likely to be fully measurable.
 - c. Finally we recommend that Oxfam **increases the level of engagement with country management during the effectiveness review process.** Different levels of awareness have been observed and reported during the survey and all countries have reported a positive experience of the effectiveness review process. This could be improved however, by greater participation in the process by the country management teams, rather than introducing a new team or consultant for the duration of the review. This would also help to increase capacity further in the South.

General

4. **Oxfam should consider ways of tracking the impact of its learning within the sector.** Oxfam's learning and experience is already shared and valued, but the effect of sharing this learning with civil society is not fully measured outside of project partnerships. Increasing monitoring of how shared learning is being used should highlight the difference that Oxfam's learning is making to those CSOs that take and use this resource. This could include surveys of users of the web-based materials and interviews with samples of people in the sector on their sources of learning and information.
5. **Oxfam should consider introducing a programme of work specifically around capacity building partner organisations.** Capacity building is not always the reason behind a partnership being developed, but it does affect the quality of the partnership. A

dedicated capacity building programme would also increase capacity in the South and broaden Oxfam's options for suitable partners to develop effective interventions with.

6. Innovation and flexibility are key to Oxfam's model. A competitive approach applies to allocations at regional level from the Buffer and Innovations Fund. It is not clear that the best possible learning is extracted from the use of the grants in innovative initiatives. **Oxfam should consider whether it is possible, and desirable, to encourage countries that are implementing SMS to develop unrestricted sources of income that remain in country.** This, alongside the current financial settlement, would enable country programmes to be more flexible, innovative and responsive to their context so that all Oxfam-supported initiatives could have access to unrestricted funds for innovative work.

Recommendations for DFID

7. **DFID should consider what impacts it would expect to see at the end of the PPA funding period.** This review has highlighted that although the measurable outcomes on the logframe are taking place, this is only half the story and there are significant activities taking place that are linked to PPA that are doing more to affect organisational effectiveness and value for money than are being recorded on the logframe.
8. PPA funds have been used to improve internal capacities and to improve impact on high-level aims in poverty reduction. DFID should be clear on the reporting it will require on these different uses at the end of the PPA period and provide clear guidance and a simple reporting structure as soon as possible in order to provide PPA holders with time to modify their monitoring and evaluation methods where necessary.

1 Introduction

1.1 Purpose of the evaluation

The Independent Progress Review (IPR) is an early mid-term review of progress being made in the work supported by Programme Partnership Agreement (PPA) funding. It is required by the Department for International Development (DFID) as part of the PPA grant and covers the first 15 months of the 2011-2014 grant period. The purpose is to verify and complement the reporting after the first year under the Annual Progress Review (APR); to assess Oxfam GB's response to comments on the APR from DFID and to evaluate the impact of the PPA funding on Oxfam and projects.

The results of the evaluation might be used, in conjunction with results of IPRs being carried out on other PPAs, to adjust funding to PPA holders. The results should help Oxfam with management and reporting of the PPA for the remainder of the grant period.

The evaluation was undertaken for Oxfam GB and throughout this report there is reference to both Oxfam GB and Oxfam; unless otherwise stated, both terms refer to Oxfam GB and its work.

1.2 Scope of the evaluation

The evaluation examines the performance of Oxfam in the allocation and use of the General PPA, which amounts to £11.2m in 2011-12 out of a total organisational income of £384.5m. Oxfam received over £12m in the same period from other DFID budgets.

The evaluation covers a wide range of activities and processes because of the way that Oxfam treats the PPA as genuinely unrestricted. Oxfam receives funds (eg income from shops) that are unrestricted in that Oxfam can allocate them to whatever purposes it chooses. PPA funds are, correctly, not referred to as unrestricted since they are restricted against the PPA logframe. It is also important to point out that many PPA holders have internally restricted their PPA grant by allocating it to specific projects or programme areas. Oxfam GB has not done this and that is why the IPR is obliged to identify the allocation of unrestricted funds and the range of activities and processes supported by these funds.

The scope, in terms of the extent of the research, is limited to some extent by the overall time available for the work and the decision to visit three countries and use them as examples and case material of the effects of PPA funds. A number of key areas were identified during the Inception Phase that increased the attention paid to processes of monitoring and learning, innovation, resilience and work in fragile states.

1.3 Focus of the evaluation

The evaluation focuses on a key question about the organisational effectiveness of Oxfam, which asks to what extent Oxfam has robust and reliable systems that allow it to make sound strategic and operational decisions about the use of flexible funding. It is effectively asking if Oxfam can offer DFID good value for the funding it receives in this manner.

In addition, there are two major questions about the impact of the PPA funding on Oxfam's work:

1. What is the impact that the funding has had on how Oxfam works?
2. What is the impact on the success of Oxfam's work?

The questions are obviously linked in that an organisation that has become more effective should have a greater impact. There is a significant question for this review on the timescale of the PPA and the time required for investments in better ways of working to lead to greater impact on development aims.

1.4 Organisation context

During the PPA period, Oxfam worked in 51 countries. Thirty-four of these are classified as fragile states. In addition, Oxfam worked in six least-developed countries and nine middle-

income countries where there are large numbers of poor women and men.¹ In 2011-12, Oxfam invested £32m (53% of unrestricted funds available to the International Division) directly in programmes in fragile states partly because of the difficulties of operating in fragile states and obtaining project funds for such work.

Oxfam works towards five strategic aims, which are expressed as rights, they are:

1. The right to economic justice;
2. The right to essential services;
3. The right to life and security;
4. The right to be heard; and
5. The right to gender justice.

The purpose of the Oxfam PPA is “*to make a significant and measurable contribution towards reducing poverty, suffering and inequality through quality, cost-effective and evidence-based humanitarian and development interventions.*”

Oxfam’s approach is based on an understanding that the core drivers of poverty reduction are capable and accountable states and active citizens. Oxfam works at local, national and global levels and attempts to bring together actors to work together to reduce poverty. Oxfam works in and through partnerships and provides capacity-strengthening support to a wide range of actors. It carries out humanitarian work in cases where forming such partnerships is not possible. Oxfam believes in the importance of a 'One Programme Approach' in which humanitarian work, long-term development work and campaigning and policy work support each other.²

1.5 Logic and assumptions

The DFID business case for supporting the PPA with Oxfam includes statements of Oxfam's: **Reach**; its work in 63 countries; **Tenure**; the trust and authority Oxfam has built up in countries where they work; the quality of **partnerships** that Oxfam has with key players; and, **support from the public** which includes the backing of millions of people and the ability to include debates at the highest levels.³

The business case includes a summing up that Oxfam's ability to be ‘**fleet of foot**’ in a changing world, to input to **learning** in the sector, to **innovate**, and to build **new development partnerships**, all rely heavily on net unrestricted income. In addition, the learning dialogue between DFID and the UK NGO sector would be significantly impoverished and the combined impact on poverty proportionately reduced without the PPA⁴.

Oxfam has taken the flexible and strategic nature of the PPA funding to mean that the organisation was free to use the funds to support improvements to programme quality (learning, performance management and evaluation) and to support innovative or risky work that might otherwise be underfunded. A key point in the assumptions is that flexibility in the use of PPA funds is taken to mean that all funding decisions do not need to be made in advance and that some funding can be used as needs and opportunities arise.

The PPA logframe contains six global level outcomes and Oxfam has developed a Theory of Change for each of the outcomes as part of its response to the business case. The outcome indicators describe development results in the six areas:

- Humanitarian assistance
- Adaptation and disaster risk reduction
- Sustainable livelihoods
- Gender equity
- Citizen's voice and governance
- Public policy influencing

¹ Oxfam GB General PPA Business Case Responses (2011).

² Oxfam GB General PPA Business Case Responses (2011).

³Business Case for PPA with Oxfam (p7).

⁴ibid, emphasis as original

These programme areas are described in the Global Performance Framework (GPF) which provides a key element of the business case. The Framework uses a process called effectiveness reviews, to assess progress towards the outcomes. The methods themselves are under test and feature in the business case as examples of Oxfam's increasing emphasis on rigorous evaluation of outcomes and impact.

Not to provide the PPA in its current unrestricted form (the counterfactual) would limit the capacity of Oxfam in all the areas of work in the GPF and in its performance in its areas of strength mentioned above⁵.

1.6 Overview of PPA funded activities

Oxfam's overall funding situation during the PPA period is shown in the following table. Figures for future years are projections or, in the case of other income from DFID figures, for funding already acquired.⁶

Income (£ Sterling)	2011-12	2012-13	2013-14
Total income	384m	376m	394m
PPA funding (CHASE and General) ⁷	11.2m	11.2m	11.2m
As % of total income	2.9%	2.9%	2.8%
Other income from DFID	12.5m	19.3m	3.5m

Table 1: Overall funding to Oxfam GB during PPA grant period (from Oxfam's Year 1 Annual Review 2012)

The PPA is allocated to the work of the International Division where it makes up the equivalent of 12% of unrestricted funds. As described above in Logic and Assumptions, the PPA funds are used to assist progress towards the global outcomes of the Global Performance Framework. Progress towards the global outcomes can however also be achieved by activities that are not necessarily entirely funded exclusively by the PPA grant but by project funds or a mix of project and unrestricted funds or flexible funding such as the PPA. This is why the IPR can legitimately review work in a wide range of areas which include administrative and advisory functions; innovative work and research on new areas; support to partnerships and consortiums; starting emergency work without waiting for donor funds; bridging-funding or pre-financing where donors have made a commitment but not yet made funds available; promoting learning and sharing ideas on best practice. The use of 'unrestricted'⁸ funding on staff time also means that most programme functions are affected in some way by the use of the funding.

2010/11			2011/12		
Actual Unrestricted	Restricted	Total	Plan Unrestricted	Plan Restricted	Plan Total
33,328	167,286	200,614	31,401	137,418	168,819

Table 2: Spending of restricted and unrestricted funds allocated to 47 country programmes (£ '000s)

A major use of PPA funding is in fragile and conflicted affected-states. This is through the large proportion (53%) of unrestricted funds in the International Division allocated to work in fragile states. It is generally true that the proportion of unrestricted funds in fragile states is low and this is partly because fragile states receive large sums of emergency and appeals funds which are considered as restricted. It is also the case that it is very expensive to operate in some fragile states, for example: South Sudan and Afghanistan. This is not always the case and Oxfam's operations in Somalia are relatively low cost because the work is largely

⁵Business Case for PPA with Oxfam, p14

⁶Annual Progress Report (APR)

⁷Figures for both PPA grants are included for completeness; the CHASE grant is small (£1.6m) in comparison with the General grant (£9.6m).

⁸We will refer to unrestricted funds when PPA and unrestricted funds cannot be distinguished because this is common usage within Oxfam although Finance and Funding staff are aware of the distinctions.

achieved through partners. Working in Pakistan (an IPR focus country) is also relatively low cost and, in fact, Pakistan has the lowest proportion of unrestricted spend in all the countries examined.

The Pakistan country visit report (Annex G) makes the case that unrestricted funds are essential for effective operating in areas of complex emergencies in order to maintain flexibility and speed of response. This includes use of funds to maintain a standing capacity and the ability to pre-finance operational work and bridge gaps in emergency funding⁹.

Decisions to work in fragile states are value for money (VFM) assessments though they are often not referred to in this way by staff. Decisions to work in fragile states may be made easier because of the availability of unrestricted funds (see section 3.4.1 for a more detailed discussion of VFM).

The table below shows the expenditure and planned expenditure of restricted and unrestricted funds in three countries which were selected for visits during the IPR (Pakistan, Kenya and Zimbabwe) and two other fragile states.

	Expenditure in 2010-11 (£'000s)				Planned expenditure in 2011-12 (£'000s)			
	Un-restricted	Restricted	Total	% Un-restricted	Un-restricted	Restricted	Total	% Un-restricted
Pakistan	862	26,705	27,567	3%	625	14,786	15,411	4%
Kenya	974	14,456	15,430	6%	856	12,457	13,313	6%
Zimbabwe	909	7,817	8,726	10%	873	4,645	5,518	16%
South Sudan	988	4,527	5,515	18%	850	2,702	3,552	24%
Afghanistan	1,204	1,924	3,128	38%	1,225	2,809	4,034	30%

Table 3: Restricted and unrestricted funding in a selection of country programmes

In relatively stable countries unrestricted funding is also used to maintain a standing capacity and for support to learning, partnership working and other functions. The countries where Oxfam spends the highest proportions of unrestricted funding, outside fragile states with high operating costs, tend to be those with large advocacy or governance programmes. Table 4 shows a selection of countries where the total sums of unrestricted funds are not large but where they make up a significant proportion of the total spend.

	Spend in 2010-11 (£'000s)			
	Unrestricted	Restricted	Total	% unrestricted
Nepal	763	1,948	2,711	28%
Zambia	656	1,481	2,137	31%
Ghana	232	175	407	57%
Rwanda	315	436	751	42%
Thailand	346	314	660	52%
Honduras	1,180	908	2,088	57%
Nigeria	586	209	795	74%

Table 4: A selection of countries with high proportion of unrestricted spending

A second area for specific attention is the investment of unrestricted funding in M&E. The Programme Performance and Accountability Team (PPAT) has responsibility for support to M&E in country programmes and has led the development of the Global Performance Framework (GPF) and effectiveness reviews which are used to assess progress towards the global outcomes in the GPF. The effectiveness reviews involve the innovative use of methods

⁹See also the Kenya and Zimbabwe country visit reports – Annex G

¹⁰Figures from Head of International Finance, 07/08/12.

to assess the impact of project work (the methods are described in more detail in section 3.1.1). The effectiveness reviews are a major investment in the collection of better evidence of impact and are a major part of the PPA proposal to DFID.

The overall budget for the PPAT, which is entirely from unrestricted funds, has increased during the PPA. The figures below are for the central spending on M&E and there has been investment in MEL and MEAL staff in country offices that is not included in these figures.

2012/13 - £935k (Budget)
2011/12 - £732k
2010/11 - £579k
2009/10 - £426k
2008/09 - £482k

One very specific piece of funding for M&E, which is entirely from the PPA grant, covers £1.9m and was allocated as follows: £1m to fragile states split evenly between Afghanistan, Occupied Palestinian Territories, South Sudan, and Pakistan; £600k to West Africa; and £300k to monitoring and evaluation (M&E) allocated on the basis of £50k per region. Oxfam does not keep a record of spending of unrestricted funds against specific purposes such as M&E and a specific effort is required to calculate the spending across all the programmes and offices allocated to such particular areas of work. Spending on M&E also includes around £900k on the PPAT in the UK office and £234k on effectiveness reviews in FY2011-12. The total spending comes to around 2% of the total unrestricted funds in the International Division.

Fundraising is a major area of investment of unrestricted funds and this covers International Division staff in the head office in the UK at a cost of £1.55m and in the country and regional offices at a cost of £1.1m. During the financial year 2011-12, the fundraising staff raised £185m in institutional donor income. More details of fundraising, and of specific use of funds to seek out new funding opportunities, are provided in section 3.3.4.

In addition to this spending, the International Division holds an important sum of money in the Catastrophe Fund (£3m) and another large sum (£5m in FY11-12) in a contingency fund. These funds are designed to provide for flexibility in order to make the most of opportunities and are allocated to regional offices where they are disbursed to country programmes on the basis of proposals under both Innovations Funds and Buffer Funds. They are also used to support costs in implementing the moves to the Single Management Structure (SMS); the roll-out of HELIOS and a range of innovative project work.

Oxfam distributes its unrestricted funds to a range of uses and reports on spending along management lines rather than against specific functions. The following figures are approximations based on some hard figures and some estimates for 2011-12 and give an overview of the main areas of spending. The largest proportion of unrestricted spending (just over 54% = £39m) goes to country programmes; 22% supports Regional Centres (including Buffer and Innovation funds and advisory staff positions which vary from region to region); another 10% is distributed through contingency funds; specific staff functions in headquarters account for other proportions (10% in the Humanitarian Department; 2% on fundraising; 1% on MEAL and similar amounts on finance, information and systems; the Directorate; investment in HELIOS and other functions). The list could include investment in sharing learning and promoting innovation but the spending is not tracked against these purposes. This observation returns several times in this report and is a key element in the recommendations.

1.7 Relationship of DFID PPA funded activities to other programme activities

The approach of treating the PPA as genuinely flexible means that there is, with a few exceptions, virtually no distinction between PPA-funded activities and other programme activities. The PPA funds are dispersed according to the same strategic and operational planning processes that are used to determine spending of unrestricted funds from other sources. Since the PPA is roughly equivalent to 12% of the unrestricted funds allocated to the International Division, it is possible to assume that all allocations of unrestricted funds consist of 12% PPA money.

2 Evaluation Methodology

2.1 Evaluation plan

Evaluation questions

The evaluation questions are defined in the tender dossier¹¹ in which the purpose of the IPR is described as three-fold and includes:

1. To assess the extent to which comments provided to Oxfam as part of the **Annual Review Process** have been acted upon
2. To **verify**, and supplement where necessary, Oxfam's reporting through the Annual Review Process, and
3. To independently **evaluate the impact** that DFID funding has had on Oxfam and projects and to assess the value for money of the funding.

Point 1 refers to a letter¹² to Oxfam from DFID which makes a number of observations and a few recommendations in response to the three reports in the Annual Review Process: the Annual Report and the Additionality and Changing Lives reports.

The verification of Oxfam's reporting is to be assessed "*according to standard criteria based on the OECD DAC criteria, relevance, efficiency, effectiveness and results*"¹³.

The evaluation of impact in point 3 is further explained by a description of the counterfactual in section 6, "the IPR will evaluate the impact that DFID funding has had on Oxfam [...] answering the questions:

- *What has happened because of DFID funding that wouldn't have otherwise happened? and*
- *To what extent does the use of strategic funding represent good value for money?*

It is important to note that point 3 of the Purpose of the IPR contains two questions:

1. First, what has been the impact of the PPA funding on Oxfam? And
2. Second, what has been the impact of the funding on Oxfam's work?

The first question covers issues of organisational effectiveness including the quality of many of the systems that lead to good development work. The second question is reviewed against the development outcomes chosen by Oxfam and also in the light of the very short period of time between the start of the PPA and the IPR, which is not more than 15 months. It is recognised in the evaluation requirements that there may be instances where the impact of earlier PPA funding (2008-11) may be relevant to the IPR and should be included. The tender dossier also makes reference to the Evaluation Strategy developed by Coffey International Development and is called the DFID PPA Evaluation Manager and states that this is integral to the ToR for the IPR.

2.1.1 Evaluation design (and rationale for design)

The evaluation design responds to the tender dossier and was developed by the consultants in collaboration with Oxfam staff during the Inception Phase.

The evaluation design conformed as closely as possible to the DFID PPA Evaluation Manager both in terms of enquiries and reporting. The rationale for this was that the evaluation team was aware that a large number of IPRs were being carried out at the same time and that if comparisons between them were necessary it would be helpful if the same approach and format had been followed.

¹¹Oxfam GB, Tender Dossier, Midterm evaluation of Oxfam's DFID General Programme Partnership Agreement (PPA), March 2012. [emphasis as in original].

¹²Feedback on Annual Report 2011-12, letter from DFID, 6/7/12

¹³ Paragraph 5 of Tender Dossier.

The evaluation design required an initial mapping of the PPA and unrestricted spending in order to focus attention on the most appropriate areas and activities for study. Mapping of unrestricted spending was repeated for each of the countries that were visited.

The requirement for verification of reporting led to the design of country visits that would provide an opportunity to learn from Oxfam’s partners and the beneficiaries of some of the project work. The country visits could not be representative of the whole of Oxfam’s work but were used to gain specific deeper understanding of Oxfam’s work and the impacts. The rationale was that by examining in detail some specific cases in the Annual Report it would be possible to assess the plausibility of much of the rest of the reporting.

The IPR contained a mixture of narrow deeper approaches - such as in depth interviews and the country visits - and broader methods such as the online survey. The diagram below shows how the different components of the IPR were carried out over time. Note that the online survey could be informed by findings from the country visits. This allowed testing of the initial findings with a much larger constituency.

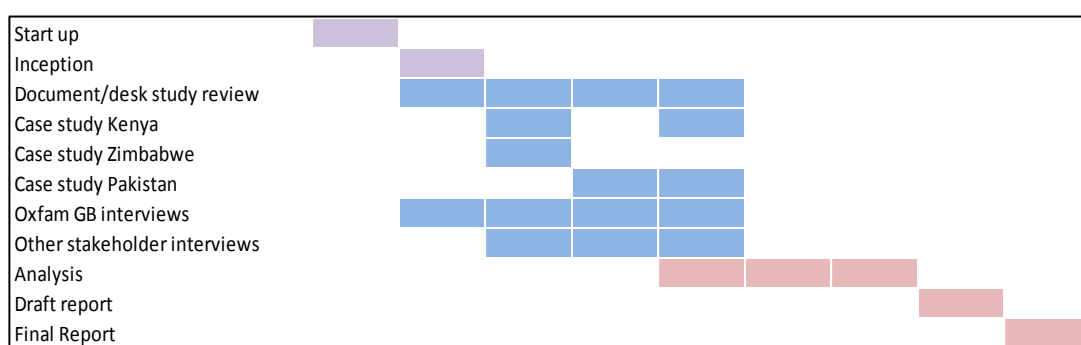


Diagram 1: IPR components and timeline

The design focussed on the work of the effectiveness reviews for several reasons: first, these reviews represent an important investment of unrestricted funds and are key to the PPA proposition; second, they are being used to provide evidence of progress towards PPA outcomes; and, third, they are of keen interest to the wider international development sector as a potential means to improve the collection of evidence. It was necessary, therefore, to include effectiveness reviews in the country visits as part of the verification of reporting and to provide additional inputs into assessing the methods being used within the reviews.

The Evaluation Manager states that the IPR should be proportionate and the evaluation team were aware that the IPR should raise issues for consideration for the remainder of the PPA grant period but not attempt to be an end of project evaluation.

2.1.2 Research methodology (and data collection strategy)

The design of the research methods required an important Inception Phase in which the key evaluation questions were explored with Oxfam staff and within the evaluation team. This work benefited from repeated study of the DFID PPA Evaluation Manager and its annexes. The Evaluation Manager sets out a number of specific questions that should be addressed within each of the DAC criteria. It also specifies the key components of the DFID Theories of Change that apply to the PPA. The contributions made by Oxfam work to the DFID Business Case Theory of Change constitute one element of the IPR evaluation.

An Evaluation Framework was created covering the DAC criteria and exploring the key issues under each criterion. Key research questions were listed against each criterion to create a master list of questions. The evaluation framework was the main tool for design of methods to respond to the research questions.

Sample countries for visits

The system of selecting projects at random that is used in the effectiveness reviews was used to provide a short-list of countries that was equivalent to a random sample from all those in which Oxfam works. The list was refined by selecting those that were also classed as fragile

states. The only active choice was to avoid countries that were too similar in location in order to provide a wider variety. Two countries selected had already had effectiveness reviews (Zimbabwe and Pakistan) and one (Kenya) was visited at the time of the start of an effectiveness review enabling an assessment of the beginning of the process.

Staff in the country offices were provided with two e-mail briefings: one on the IPR and the role of the country visits from the International Division and one from the consultants on the detailed content of the visit and preparations for it. The country visits started with a briefing meeting between the consultant and country staff.

Interviews

Lists of potential informants for interviews were drawn up with the support of Oxfam staff to cover both internal and external stakeholders. The Evaluation Framework was used to identify areas where interviewees could make useful contributions to the different areas of the evaluation.

Five interview topic guides were then created from the questions appropriate for each of the different constituencies. The topic guides provided guidance to the interviews for each category of interviewee. An additional interview guide was developed to cover value for money enquiries as this area was judged to require special attention. The topic guides were presented during the Inception phase to Oxfam staff and included in the inception report.

Interview tools

Interviews were strengthened by the use of several visual and ranking tools. Spectrum lines were used in discussions on the changing quality of M&E and application of value for money in programming. Impact flow diagrams were used to discuss theories of change and the 20-bean method was used to discuss a range of topics including relevance (targeting), value for money and impact in group meetings.

Document reviews

The Evaluation Framework was also used to identify documents and other sources that could be used to provide evidence about each of the research questions in the framework. Documents deemed necessary for each country visit were described in a country visit briefing note which was sent to country offices to help them prepare and provide the necessary documents.

Feedback loops

Feedback workshops were held with country office teams to share initial findings from the country visits and improve the learning of the consultants from the visit. Team exchanges were important and country visits were timed so that learning could be shared within the team.

Online Survey

An online survey was designed to obtain views from a wide range of Oxfam staff in country offices. The survey was designed after two country visits took place and the importance of different evaluation questions could be judged. The purpose of the survey was to test emerging ideas and get views in a quantifiable way to provide a broader set of observations that check those coming out of the country visits.

The survey questions were reviewed by Oxfam staff to provide a test on the questions and language used to improve the usability. A total of 84¹⁴ returns from 26 country offices across every region other than West Africa were obtained and analysed using the software embedded in the application.

¹⁴The survey was sent to addressees in 26 country offices that had received an effectiveness review in the last year, who shared the link with their colleagues. 84 responses represent an average response rate of 3.23 per country office that was targeted. Most of the respondents (56.2%) were programme staff. This highlights the benefit of the survey in extending our enquiry to a larger number of country offices than we could hope to reach any other way in the timeframe allowed. Survey details are in Annex C.

2.1.3 Analytical framework

The DAC criteria

The results analysis is based on the DAC criteria as defined in the Evaluation Manager. The DAC criteria are applied to each of the areas of investigation and evidence is collected against it. The analysis therefore brings together observations from all the enquiries (interviews, document reviews, online survey, etc) to report on the extent to which Oxfam has delivered in each of the DAC areas.

Cross-cutting criteria

In addition to these analyses it is necessary to apply some criteria broadly across all areas of the evaluation.

1. **Value for Money** is reported against the DAC criterion of Efficiency but the review collects and analyses evidence across a range of different criteria.
2. **Verification** is applied to each of the areas of enquiry; that is, the consultant is obliged to assess the correctness or plausibility of evidence collected and presented in the APR.
3. **Additionality** is a key question in the evaluation and applied to the evidence that is collected in terms of assessing the likelihood that the same observations and impact would occur in the absence of the PPA funding. This is the counterfactual question posed in the tender dossier.

2.1.4 Approach to quality assurance of research

Quality assurance (QA) inputs from both ITAD and Ipsos MORI were increased during discussions in the Inception Phase and since the Inception Phase the roles of the quality assurance members of the evaluation team have been kept separate from the operational work carried out by other team members.

The QA team members have scrutinised the materials produced during the evaluation including: the interview topic guides; the country visit selection methods; the country visit briefings; the online survey design and the reports produced from the Inception Phase and the country visits. Time was built into the evaluation schedule to allow a separate stage of QA review in the production of each of the materials.

Inputs were required from Oxfam staff to benefit from their knowledge and understanding of country programmes, available documentation and internal ways of working. As examples, these inputs included the following: providing access to internal correspondence; phrasing of survey questions; staff structures in country offices. These were helpful in improving the quality and focus of the work.

A Risk Register was prepared during the Inception Phase to alert the IPR team and client to areas where the quality of research might be affected. It also proposed methods for mitigating risks to maintain high quality work. In fact, the risks that materialised were relatively minor and easily managed. Written fortnightly updates were provided to ensure early warning of possible risks to quality.

2.2 Research problems encountered

The IPR encountered a methodological issue with the assessment of the effects of activities that are not tracked or assessed by Oxfam staff; for example, the investment in managing partnerships or in sharing learning. This was partially addressed by collecting views of other stakeholders on the effectiveness they perceive in the activities. It was also difficult to assess the impact of certain activities that have a long timeframe before impact is observed; for example, investments in additional M&E staff may not influence programme quality for some time after the IPR. We addressed this by looking for early signs of change that might lead to impact.

The Evaluation Manager clearly states that the “*first annual review [...] will largely assess outputs*” but the final report format seems to require observations of higher level results. The pressure to provide observations and evidence at higher levels adds stress to the research methods in the analysis of activities started in this PPA funding period, for example, the effectiveness reviews. The approach seems more appropriate for activities funded for longer periods (eg, Oxfam's more general investment in M&E) and the end of the PPA grant in 2014.

There were a number of issues with data collection, however, these were not due to the research design or methods. For example, assessment of the use of PPA funds and other flexible funding required Oxfam staff to map their spending in ways that are not routine in their work. This is not a problem with the research work but it did require some explanation and time for staff to analyse their financial data for the IPR.

Similarly, key informants were not always available to the IPR when asked for interviews. The IPR was told that staff of the Civil Society Department in DFID would not be available and others key informants were not available because the timing of the review coincided with the holiday period, Ramadan and the Olympic Games in London. The lack of availability from informants had been highlighted in the Risk Register and two methods were used to overcome the potential loss of inputs. In the first case, substitutes were sought as soon as the problems were identified. Second, the use of repeated and longer visits for the work in Kenya and employing a resident in Pakistan overcame some of these issues. For example, DFID staff in Nairobi made themselves available after the initial approach from Oxfam for a meeting but this was still during the visit of the consultant; IPR work was possible during Ramadan in Pakistan as the resident consultant was able to carry out a small number of interviews over a number of half-days of work.

A problem in reporting on the research was the need to respond to a large number of research questions with very limited resources - time in particular. The finely sub-divided questions and limited possibilities for evidence collection meant that observations on the same programme work or initiatives had to serve a range of research questions in different parts of the reporting structure.

2.3 Strengths and weaknesses of selected evaluation design and research methods in retrospect

In retrospect, the design and methods used were adequate and proportionate to the tasks in terms of effort available and robustness required. The length of time given to country visits was a strength and allowed more thorough collection of information. More time was required than originally planned because Oxfam's flexible use of PPA funds meant it was often not possible to know the focus of the enquiry before beginning interviews with country staff. The feedback mechanisms within the evaluation team, between the team and the QA support, and between the team members and Oxfam staff were strengths that allowed checking and corroboration of observations. The differences between the country programmes were sufficiently important to provide checks on the methods being used. Designing the online survey benefitted from learning from the country visits and strengthened both the survey format and focus that permitted enhanced cross-checking and corroboration of initial findings.

The evidence is a mix of both specific and general observations typified by the country project visits and the online survey results. The country visits highlight the value of very specific findings and it seems clear that more evidence would be valuable in the final evaluation of the PPA. The observations seem adequate for this interim review but it is clear that there are many highly specific circumstances in which unrestricted funds can have an impact.

The cross-checking between team members helped improve consistency and rigour. The main sources of rigour came from the QA members of the team and the guidance in the Evaluation Manager and the structure of the final report. These focussed on the use of evidence to improve transparency and independence.

Surveys can suffer from bias where those who choose to respond may have had specific positive or negative motivations. Responses were received from all addressees so this self-selection bias is not considered a weakness. The survey was sent to the 26 country offices that had experience of the effectiveness reviews and was not an attempt to cover the spread of Oxfam offices in a representative way although more than half of all country offices provided responses. The results are remarkably consistent and many respondents chose to use the open questions to provide lengthy answers. Thus, the results are rich and there are few unusual or aberrant responses lacking justification. The results seem reliable for our purposes despite the potential for bias.

The team members are all independent consultants with considerable experience. As experienced consultants we are alert to the tendency for interviewees to seek to please the interviewer especially where they appear as a guest. Our use of visual interview tools helps to reduce this problem as does our experience in posing questions and analysing responses.

3 Findings

3.1 Results

3.1.1 Performance assessment against logframe

Oxfam reports annually on its performance against the logframe agreed between itself and DFID for monitoring the PPA funding. This section considers the appropriateness of the logframe and indicators and considers the quality of the data informing reporting against the logframe. In doing so, we consider Oxfam’s global performance framework and its effectiveness review processes in detail.

PPA Logframe and indicators appropriate

The IPR found that the logframe and indicators are appropriate to this PPA as the funding is being used flexibly, making up 12% of the unrestricted funding available to the international development division of Oxfam. Hence the logframe reflects the breadth of Oxfam’s international development work.

Outcome 1 - People receive humanitarian support that meets recognized standards for humanitarian programming

The wording has changed slightly during the first year but the sense remains the same. The outcome level indicator was revised down slightly from 70% to 60%. This is in response to the scoring of the first five HIT reviews, which produced an average score of 60% with extremes of 71% for Kenya and 31% in Ethiopia. The outcome is supported by a single output, which is the case throughout the PPA logframe:

Output 1- Life sustaining and needs-based support provided to 1.5 million people from low-income countries affected by serious humanitarian crises				
	Baseline	Milestone Y1	Milestone Y2	Target
Planned		400,000	1 million Revised 3,750,000	1.5 million Revised 5,250,000
Achieved		2,250,000		

Table 5: Output indicator total number of people provided with appropriate humanitarian assistance, disaggregated by sex

The Y1 milestone was massively exceeded partly because it was decided to include only the largest humanitarian responses. In the reporting period there were some very serious emergency responses including the horn of Africa drought and the Pakistan floods that were the focus of IPR assessments in those countries. The evidence collected by the IPR allows adequate verification of the output and of the Humanitarian Indicator Tool (HIT) review methods.

Outcome 2 – Ability of supported households to minimise risks from shocks and adapt to emerging trends and uncertainty significantly improved

Output 2 - 700,000 people effectively supported to reduce their risk to natural hazards and adapt to current and future climatic variability and uncertainty				
	Baseline	Milestone Y1	Milestone Y2	Target
Planned		150,000	350,000 Revised 475,000	700,000
Achieved		356,000		

Table 6: Output indicator 2.1 Number of people supported to understand current and likely future hazards, reduce risk, and/or adapt to climatic changes and uncertainty, disaggregated by sex

The IPR was able to visit one project (see Box 2 and Annex G) that contributed to the results that led to the Y1 milestone being exceeded and the Y2 milestone revised upwards. The outcome indicator was revised upwards from 5% to 14%.

The observations of the project in Pakistan included a number of positive impacts that are not part of the effectiveness review like the changes in the roles of women.

The IPR gathered sufficient evidence to consider the findings in the APR to be verified. In its Year 1 General PPA Annual Review Report¹⁵, Oxfam reports in detail on the Community-based Disaster Risk Management and Livelihoods Programme (see box 2) as an example of a best-case programme design and implementation to change lives. The IPR country review, based on assessments of the programme and of the effectiveness review, provides verification that Oxfam’s reporting on the programme in the Annual Review is correct and appropriate.

Outcome 3 - Supported households demonstrate significantly higher income levels

Output 3 - 80,000 poor women and men supported to sustainably increase their income via market-focused value chain development support				
	Baseline	Milestone Y1	Milestone Y2	Target
Planned		20,000	50,000	80,000
Achieved		34,700		

Table 7: Output Indicator 3.1 - Number of women and men directly supported to increase income via enhancing production and/or market access

The milestone in Y1 was significantly exceeded but DFID and Oxfam agreed that there was no need to revise other milestones.

The IPR visited one of the projects that was reported on in the APR and contributed to the output indicator.

"In its Year 1 General PPA Annual Review Report, Oxfam reported that the “differences for the Zimbabwe... [project are] positive but not independently statistically significant¹⁵. The Zimbabwe effectiveness review included the total population group that was included in the project. The Year 1 report suggested that for some of the other effectiveness reviews the size of the sample was possibly an issue. While this is clearly not the case in Zimbabwe, it is possible that the timing of the effectiveness review itself is more likely an important factor affecting differences between the intervention and comparison groups. Additionally, Oxfam GB acknowledges that the effectiveness review approach will be continuously monitored and adjusted¹⁵. Part of the issue with the results from the effectiveness review in Zimbabwe may be down to the decision to randomly select projects that are recorded on OPAL as either completed or nearly completed (or ‘mature’).

Outcome 4 - Supported women demonstrate increased involvement in decision-making at household, community and institutional levels

Output 60,000 people reached to enable women to gain increased control over factors affecting their own priorities and interests				
	Baseline	Milestone Y1	Milestone Y2	Target
Planned		15,000	40,000	60,000
Achieved		3,800	20,000	37,500

Table 8: Output indicator 4.1 - number of people reached to enable women to gain increased control over factors affecting their own priorities and interests

The numbers of women affected was lower than had been expected because the random sampling method selected relatively small projects and because some of the projects that were

¹⁵ Oxfam GB General PPA Annual Review, Oxfam GB, May 2012, Oxfam GB General PPA Annual Review Part G – Changing Lives Case Studies, Oxfam GB, May 2012

selected turned out not to have a focus on women but to be more general livelihoods projects. The milestone for Y2 and the target were revised downwards and changes were introduced in the selection process to ensure a better sample of projects in year two.

The IPR was able to review the methods used in the large 'n' effectiveness reviews and observe similar projects in the country visits. The results cannot be verified but the evidence gathered supports the reported results.

Outcome 5 – State institutions and other actors change their practices in better alignment with the demands of citizens

Output 5 - 80,000 citizens supported to engage with state institutions and capacity building provided to 90 duty bearers				
	Baseline	Milestone Y1	Milestone Y2	Target
Planned		Citizens 2000 CBOs: 120 CSOs: 10 DB: 30	5000 300 25 60	8000 450 35 90
Achieved		8640	Revised 28,000 DB: 700	Revised 45,000 DB: 1000

Table 9: Output indicator 5.1 – numbers of a) citizens, CBO members and CSO staff supported to engage with state institutions/other relevant actors; and b) duty bearers benefiting from capacity support

The milestone was exceeded and the Y2 milestone and target were revised upwards. The outcome indicator was revised from 40% to 60%.

The IPR did not collect first hand evidence on the projects that were the subject of effectiveness reviews but were able to observe similar project work during the country visits, for example the TWADO Project in Kenya and Padare in Zimbabwe. The evidence supports the reporting but cannot absolutely verify it.

Outcome 6 - Pro-poor and gender-equitable policy change achieved

Output 6 - Number of campaign actions directly undertaken or supported, e.g. contacts made with policy targets, online and offline actions taken, media coverage, publications, and specific events held				
	Baseline	Milestone Y1	Milestone Y2	Target
Planned		400	900	1400
Achieved		2500	3000	3500

Table 10: Output 6.1 - number of campaign actions directly undertaken or supported, e.g. contacts made with policy targets, online and offline actions taken, media coverage, publications, and specific events held

The Y1 milestone was hugely exceeded and the future milestones were revised upwards and the outcome level indicator raised from 40% to 69%.

The Process of effectiveness reviews

Reporting within the GPF makes use of an innovative set of processes collectively referred to as effectiveness reviews that Oxfam has developed and which are specifically referred to in their PPA reporting. An effectiveness review is a process whereby projects that are mature or sufficiently developed are assessed to determine how effective they have been in achieving their stated goals. The intention is to improve standards and gather learning more quickly that can be shared across all Oxfam affiliates.

Twenty-six effectiveness reviews across Oxfam's six global indicators were undertaken in 2011/12 and a further 30 are taking place in 2012/13. The programmes reviewed are chosen at random and there are some constraints on the random selection. For example,

programmes must be sufficiently mature before they can be reviewed, each programme must be over £50,000 in funding value, and the programmes must be chosen from each of the five thematic areas.

Three large-*n* effectiveness reviews were examined (one review in Kenya was just starting at the time of the IPR) in detail as part of the IPR and Ipsos MORI undertook an objective assessment of the effectiveness review process including design, sampling and analysis techniques.

HIT reviews

HIT reviews assess how well responses to humanitarian emergencies have conformed to recognised quality standards. The reviews are carried out by consultants on the basis of document reviews and telephone interviews. The use of remote methods rather than visits is designed to reduce costs and the burden on staff time. The consultants score the humanitarian responses against twelve benchmarks of performance usually with a score of Met, Partially Met or Not Met. Three benchmarks are weighted more heavily than the others. The scores are added up to give an overall percentage of achievement. The HIT are designed to provide learning and improve quality and have a role in accounting to donors. They do not have an immediate role in management of the humanitarian crisis.

A key finding of this review is that the HIT process has not yet been able to complete a cycle of learning in which *“country, regional and HQ staff discuss the results and extract lessons for each party and decide how to implement actions to improve performance”*¹⁶. These exchanges and lesson learning will take place but not in time to be included in the IPR.

The IPR was able to interview staff in the Pakistan, Kenya and Somalia offices about the HIT reviews that had been carried out on their programmes and to interview two of the consultants employed to carry out some of the reviews. The consultants were confident that the reports provided an accurate account of what had happened during the emergency work.

Programme staff found the HIT reports to be largely accurate and unsurprising. There were some concerns that the level of detail and completeness was hampered by the long-distance methods. The results have not been the subject of a management response in Kenya or Somalia partly because the emergency is still ongoing and partly because of a lack of engagement by local staff. The emergency work has been the subject of a large number of evaluations by different teams in Oxfam and by other actors and has been the subject of a much-cited document. These evaluations involved visits and first-hand observations and take precedence in the appreciation of staff as reviews of their work. Oxfam staff in the northern areas of Kenya, which were affected by the drought, did not offer opinions on the HIT report but remembered that they had supplied many documents to the process. Methods for scoring Timeliness (benchmark 1) have been modified as a result of experience in the 2011 drought in the Horn of Africa.

The programme staff in Pakistan had concerns over three of the benchmark scores including the Gender benchmark because they felt that considerable efforts were made to address gender and other vulnerability issues. Nevertheless they agree that there are always ways to improve. This response seems typical of a process which is incomplete and where more exchanges are necessary to make the most of the learning possibilities.

The HITs should be able to provide a comparative function based on the use of identical methodology and the APR provides a table of the results of the first five HIT reviews to be carried out. Senior staff in Kenya were not surprised by the overall results which do not vary very much but the higher score in Kenya and lower score in Ethiopia conform to their understanding of events.

The overall low scores in Gender (all five HIT reports give a score of 'Partially Met' to this benchmark) had not been observed by country office staff who were only vaguely familiar with the APR. So far there has not been a response to this observation from management.

¹⁶Marilise Turnbull by e-mail, 02/08/12

Nevertheless, the issues are being taken up and advisory staff in Oxford and a new staff position in the Kenya office may help in the reflection. The position of the HIT as a tool for accountability is not completely understood among the programme staff that we interviewed. The value for money of a lighter review system using remote interviews has not been fully assessed.

The fact that the management responses have not been completed either to the individual HITs, or to the overall table of results from the first five HITs, make it difficult to assess the effectiveness of the methodology and its place in the range of other evaluations that are carried out on humanitarian work. The final evaluation of the PPA grant period will be better able to assess the contribution the HIT makes to the quality of humanitarian emergency work and to learning. The number of HITs carried out before the final evaluation may depend on the number of emergency responses that are necessary during the period of the grant.

Small-*n* effectiveness reviews

Small-*n* effectiveness reviews are used to assess effectiveness of voice, advocacy and policy change projects. The methodology used is known as process tracing, which is a qualitative research method that attempts to identify the causal processes between potential causes and an effect (outcome). Oxfam employs a scoring mechanism, which may appear blunt, but serves as an excellent aide-memoire and discipline to focus the evaluator in their task and allows comparability of impact between programmes.

No small-*n* review programmes were directly observed in the countries identified for the country reviews. Oxfam reports, methodologies and third party reports on small-*n* reviews were reviewed during this IPR.

Process tracing methodology is an attempt to recognise that many voice and advocacy projects have difficulty in demonstrating results and value in timeframes that are often shorter than the time it takes to influence change. The process tracing approach forces consultants to examine their ways of working. Additionally, it can raise questions about voice and advocacy methodologies and the value of these observations needs to be captured in learning for Oxfam and other actors in the sector.

The small-*n* effectiveness reviews are carried out by consultants and reports from four of the eight small-*n* reviews were available to the IPR and none of these included a management response. A review of two of these evaluations (Strengthening Israeli Civil Society for Change in Occupied Palestine – PTIA50 and Oxfam GB RSA Climate Change Advocacy Programme) suggested that while the evaluators were able to use process tracing to determine a range of results on both projects that effectively measured low, medium and high success rates with appropriate evidence, the more interesting results of these two evaluations were the issues with project planning and management that they raised, which may not have been identified under other methodologies.

In OPTI it was clear that the overarching programme 'The Right to Be Heard' is not well known in the region and the theory of change was not known amongst most of the stakeholders.¹⁷ In the advocacy programme in the run up to COP17 in South Africa one of the intended outcomes was considered to be poorly expressed initially, combining a number of different outcomes and suggesting a scale of success without Oxfam's reach on this project, which meant that it could not be successfully evaluated. The recommendation was to clarify advocacy programme outcomes to focus on single concepts.¹⁸

Interviews with the author of *We Can, The Story So Far* (Oxfam 2009) provided corroboration of the findings of the effectiveness review. The observation that impact depends on the intensity of support (particularly amount of support to contacts between the project and change makers and between change makers) is confirmed. The observation that a proportion of men

¹⁷ Romero, S. Otero, E. Mid-Term Evaluation of the Oxfam GB Campaign the "Strengthening Israeli Civil Society for Change in Occupied Palestine" Project, Leitmotiv, January 2012, pages 12 - 15

¹⁸ Jack, M. McKenzie, M. Oxfam GB RSA Climate Change Advocacy Programme: Evaluation Report, May 2012, pages 43 - 44

and women continue to agree with the statement that there are some circumstances in which it is acceptable for a man to hit his wife appeared startling to the effectiveness review but is recorded and underlines how long some attitudes take to change. It may also indicate the usefulness of reframing the question to explore the underlying meaning.

These particular findings are important from an effectiveness perspective and acting on these findings would increase Oxfam's effectiveness and ultimately impact in these programmes. The ability to compare impact observations between programmes seems to be an important contribution of the methodology but the real value of this will only become clear when more small-*n* effectiveness reviews have been completed and the management responses reviewed.

The IPR was also able to witness the impact on women of other projects like the Disaster Risk Management project in Pakistan which suggests that results reported on are not unlikely.

Large-*n* reviews

The large-*n* projects use a quasi-experimental approach to quantitatively evaluate the impact of a livelihood, risk reduction and some gender projects. Units from programme areas (the 'intervention group') are compared with those from areas not reached by the programme (the 'comparison group'). As these two groups are likely to be systematically different the intervention effect cannot be measured simply by measuring means or proportions in the two groups. Instead, a statistical technique must be used to account for systematic differences between the intervention and comparison groups. The techniques that Oxfam uses are propensity score matching, and various regression methods. Each review is initiated by staff from PPAT and supported by local staff and local consultants.

During this IPR three large-*n* reviews were considered. Two were completed and one (in

Box 1

Zimbabwe – Ruti Irrigation Scheme Effectiveness Review

This project fits within Oxfam's livelihoods strengthening theme in the Global Performance Framework (GPF). The reviewers found that against the indicator '% of targeted households living on more than £1.00 per day per capita', between 8% – 10% more households were living on more than £1 per day per capita after phase one of the project compared to households not yet planting*.

In order to verify the findings of the review and test whether anything had changed since the review had been undertaken (an independent sign that Oxfam had implemented the recommendations from the review), two focus groups with beneficiaries were undertaken simultaneously. This approach was able to duplicate the findings of the effectiveness review and highlight that although the team in-country had followed up on the recommendations in the review, certain issues remained. While the country director had sounded initially cautious of the added value of the Effectiveness Review, the MEL Team had emphasised how much they had gained from being part of the review process. Not only did they see the review as effectively third party validation of their own MEL processes, the review process was seen as an opportunity to learn and develop capacity and to stretch their own skills.

*Ruti Irrigation Effectiveness Review – Full Report TWJ – Draft, Oxfam GB, July 2012, page 3

Kenya) was starting, which gave the country reviewer in Kenya a good opportunity to observe the start of the process. Ipsos MORI reviewed a selection of technical reports of large-*n* projects and considered the technical aspects of the impact methodologies being used.

Overall, Ipsos MORI agreed that the procedures used were rigorous, unbiased and relatively robust. There were several places where decisions about the analysis might seem to be arbitrary (for example, the exact choice of matching method). However, this was inevitable in any large project where automatic selection routines have to be used and the decisions were clearly documented in the technical reports.¹⁹

The approach was seen to be consistent and guarded against bias that could arise

¹⁹ Objective Assessment of Oxfam's 'Effectiveness Review'

from choosing different methods to evaluate different programmes despite introducing a level of inflexibility. The decision to use five different methods (two based on matching and three based on regression) to measure impact helps to ensure the work is robust in choice of analysis method.

Most of the other issues relate to the difficulties intrinsic to the quasi-experimental method. Ipsos MORI mention, for example: issues surrounding the choice of suitable comparison groups; the practice of choosing the areas after the programme has been implemented; the unit of selection being at community or household level; and the use of stepwise selection methods.

PPAT staff were highly aware of the issues that were raised in their discussions with Ipsos MORI and one recommendation made verbally has already been adopted²⁰.

There is some concern from both Ipsos MORI²¹ and Oxfam²² that the use of a selection process that contains an element of randomisation will miss some key projects where an effectiveness review could yield extremely important findings. This issue has been discussed at the highest level (Corporate Management Team) in Oxfam and a response is currently being explored, with the possibility of the use of additional effectiveness reviews on a particular theme²³.

The same CMT meeting discussed the high level of interest in the effectiveness reviews that exists in the international development sector and this, of course, includes the interest shown by DFID and many other players²⁴. Other agencies are investing in improving their M&E and collection of evidence but Oxfam GB is seen as going further and using more rigorous analysis methods than other agencies.

The country visits highlighted another area that Oxfam is currently working on which is the engagement of the programme management in the use of the results of the effectiveness reviews. A Management Response system was agreed in mid-August 2012 but it is clear that

Box 2

Pakistan – Community-based Disaster Risk Management and Livelihoods Programme (Punjab Province)

This project fits within the Adaptation and Risk Reduction thematic area of Oxfam's activities and was selected to assess the extent to which it has promoted change in relation to Oxfam's global indicator: *% of targeted households demonstrating greater ability to minimise risk from shocks and adapt to emerging trends and uncertainty*. The reviewers found large and positive differences between the groups and that the intervention group scored more positively on most of the resilience characteristics and that they experienced less asset and related losses during the floods in 2010(p11).

The Pakistan country review notes that at Oxfam's country office there is a general consensus that the results of the effectiveness review are correct, a view that is reportedly shared between Oxfam and its programme partners, the Help Foundation and the Doaba Foundation, who were interviewed as part of the site visit during the country review. The IPR country review does however highlight that Oxfam in Pakistan and its partners disagreed with the assessment that the diversification of livelihoods element was weak as the effectiveness review had suggested. Their argument appears to be that it was more important to reduce household risk to existing livelihoods first before considering potential to diversify to include other income sources.(p13) In interviews with the supported communities, the country reviewer was able to ascertain that the programme had contributed to improved preparedness amongst the communities (to the point that they experienced less loss and were able to help other communities during the 2010 floods)(p13); that women's roles within the communities had changed and improved(p15); and existing livelihoods were strengthened.

Page references to Pakistan Country Report – Annex G

²⁰ Discussion with Programme Effectiveness Team Lead.

²¹ Email from Ipsos MORI, 03/09/12.

²² Numerous discussions with PPAT staff.

²³ Email reporting on CMT meeting held on 03/09/12.

²⁴ Interest expressed by donors includes DFID Evaluation Unit, SIDA, and Bill & Melinda Gates Foundation

more needs to be done to get the best out of the effectiveness reviews. The reviews seem to have been very useful in terms of project management where the results have been discussed with the country office teams, and to have also provided some capacity building for local staff. In Kenya, where staff had not benefited from the learning of the large-*n* review because it had only just started there was a more reserved response and a noticeable lack of ownership. The same uncertainty about the value of the reviews and concern about the amount of staff time required had also been reported by PPAT staff on the earlier reviews.

The online survey of staff in country offices that had received effectiveness reviews was largely positive about the involvement of staff; the usefulness of the results and the use of resources. The level of positive remarks was a slight surprise to the IPR since we had already collected more negative views during the country visits in which the effectiveness reviews, especially the HIT, were described as having offered little new learning and cost a significant amount of staff time.

The PPAT staff had made significant efforts to improve exchanges with county office teams over the effectiveness reviews and it seems clear that teams come to appreciate the reviews more when they have discussed the results and implications with PPAT.

The effectiveness reviews provide an important opportunity to obtain robust evidence of the impact of development projects. This is mostly because of the methodologies being used. It is also important to note that it is extremely rare for an impact assessment to be undertaken a year or more after a project is completed. This is in some cases when impact is more likely to be observed and some effectiveness reviews might address this and add learning on the use of late evaluations to discussions on how M&E might be improved in such cases.

The usefulness of effectiveness reviews would be greater if there had been better dialogue between PPAT staff and country office teams over the engagement and use of the results that are being generated. There could also have been some consideration given to cross-checking of the data from the household surveys that are being used in the analyses. Even the language has not helped sharing since phrases like 'small-*n*' and 'large-*n*' are not meaningful to most staff. The lack of better integration of the effectiveness reviews in the overall management of project work has allowed it to appear to be an externally driven research effort using incomprehensible techniques. Most of these observations are the result of the timing of the reviews being separate from the feedback on the findings and where country teams have had the chance to discuss the findings with PPAT staff the effectiveness reviews are perceived more positively.

EMPOWERING PEOPLE IN POVERTY WORLDWIDE IN 2011/12

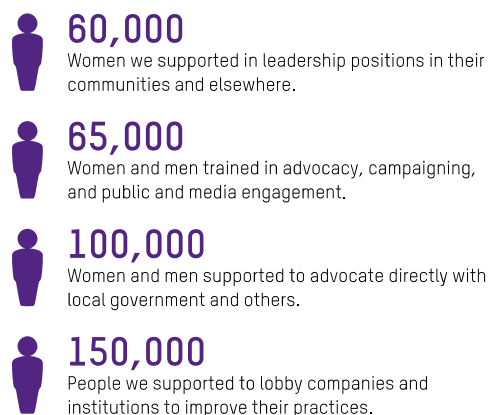


Diagram 2: from 2011/12 Oxfam Annual Report

Global Performance Framework used to improve reporting

The data to support the logframe is being collected via Oxfam's new Global Performance Framework in which DFID, in its feedback to Oxfam, has expressed significant interest.

The framework has been in use for a year and is still in a process of refinement and development. However, data collected via the framework has been used in the latest annual review.²⁵ The data provided via the GPF for the 2011-12 report highlights the impact of better evidence collection and reporting where a short table of the numbers and types of people empowered through campaign and advocacy work worldwide appears on page 23.²⁶ It is

²⁵ Oxfam Annual Report & Accounts 2011/12, Oxfam, 2012

²⁶ Oxfam Annual Report & Accounts 2011/12, Oxfam, 2012

unusual to see such clear-cut reporting on the effects of advocacy work and such reporting was not possible in years 2009/10, 2008/09.²⁷

When reviewed alongside annual reviews from previous years the impact of the new framework is evident and best illustrated in the shift in reporting on inputs (eg % of charitable spend per programme in 2009-10 report²⁸) to outputs and outcomes (eg number of people reached through programming).

This kind of data collection allows the reader to calculate (albeit crudely) the financial input for these statistics: the cost per person reached by campaign and advocacy worldwide could be £52.53 per person.²⁹ Additionally, the quality of the case study data collected has improved significantly. This is not to suggest that Oxfam's reporting in previous years was lacking, but rather that, through the development of its data collection and Monitoring, Evaluation, Accountability and Learning (MEAL) systems, it has been able to significantly improve its reporting.

Progress in addressing DFID feedback

The IPR used the contents of two letters exchanged between DFID and Oxfam to assess Oxfam's responses to DFID over the APR

DFID comment	Oxfam response
GPF will be watched with interest	Points out that the GPF will continue to be enriched long after the PPA and that it is a prime example of the impact of flexible strategic funding.
Will the sampling for the effectiveness reviews deliver a fair reflection of Oxfam's outputs?	Refers to page references in the APR and points out that the representative sample will be achieved by the end of the PPA period when a sufficiently large number of reviews will have been carried out. The small number carried out in year one is not expected to be representative. The sample results shown in the report appear to provide a fair reflection even though the sample is still incomplete.
Milestones for outputs 1, 2 and 4 to be revised	Milestones revised to conform. New logframe delivered on time.
Weighting of outputs should be the same in APR and logframe	Weightings adjusted to conform.
Results and value for money- All positive comments	No response required.
Transparency – DFID commends Oxfam for becoming IATI compliant.	No response required
Additionality report - DFID questions the focus on humanitarian work given that the CHASE PPA had already largely covered this area.	Notes that the CHASE work covers humanitarian policy advocacy and research work but not the operational response programmes. Notes that the general PPA covers humanitarian work which accounts for 40% of its total spending.

²⁷ Oxfam Annual Report & Accounts 2009/10, Oxfam, 2010, Oxfam Annual Report & Accounts 2008/09, Oxfam, 2009

²⁸ Oxfam Annual Report & Accounts 2009/10, Oxfam, 2010

²⁹ A total of 375,000 people are shown in the list on page 23 of the annual report for 2011/12. The total spend on campaigning and advocacy in FY2012 was £19.7m, which gives a per person spend of £52.53. This may not be entirely accurate as there will be cross over between the groups listed, but as an estimate of efficiency, it is a useful marker.

DFID comment	Oxfam response
DFID suggests that the APR would be stronger if it demonstrated how PPA funding impacts on the lives of beneficiaries.	<p>Notes:</p> <ul style="list-style-type: none"> • These points are important and challenging. • The Evaluation Manager raises the issue of attribution but appears to suggest an approach based on contribution analysis. • The standard of proof is an additional area of concern. <p>Points out that Oxfam is helping organise an IELG meeting with PPA evaluators in September to examine these issues.</p>
Reasons for success and failure of interventions in the Changing Lives report are not adequately analysed.	Not addressed separately but is largely covered in response to previous point.
Revised logframe	Revised and delivered.

Table 11: Oxfam’s responses to DFID comments

In addition to these comments, DFID makes nine points on which it would have welcomed more information on Oxfam's work in learning. DFID criticises Oxfam for having failed to follow guidance and prompts to include information in the APR. The author of the letter from DFID cites a number of areas where Oxfam has made contributions to learning but not included them in the APR. Oxfam appears not to have responded formally to these points but staff were clearly stung by the comments even though they appear to be critical of Oxfam's reporting rather than of its work in learning. The IPR contains many observations on learning that is being promoted by Oxfam and recommends that the impact of learning is assessed. If that is carried out then Oxfam is likely to be in a better position to defend its work in sharing learning with others in its future reports to DFID. In summary, the quality of Oxfam’s evidence gathering is improving through greater investment in M&E staff and the effectiveness reviews. The innovative approach the organisation is taking towards global reporting and evaluation using interesting methodologies that can be challenging in international development is commended.

3.1.2 Intended and unintended effects (positive and negative changes) on poor and marginalised groups and civil society

This section considers the changes in people’s lives as a result of the work Oxfam has been undertaking. Because Oxfam’s beneficiaries can include both communities and other NGOs we have considered impact for both partner organisations and communities in this section. During the country visits and document reviews undertaken for the IPR we saw and collected significant evidence of both intended and unintended change.

The IPR found that Oxfam had flexibility in adapting to the needs of its beneficiaries through the lifecycles of all its programmes and adapting to unintended positive changes. In interviews, and via an online survey, Oxfam staff identified this flexibility and responsiveness to be very important.

Box 3

Generating early value for the community

The Ruti Irrigation Scheme in Zimbabwe was designed to deliver indirect impact to 50,000 people by enabling a more diverse and secure food source through the development of farmed irrigated fields. Although a focus group found that the farmers still enjoyed more value than the community at this stage in the project; what also emerged was that the community was benefitting in an unintended way when the farmers working the irrigated fields allowed other community members to graze their herds on their fallow dry-land fields. This provided more space and feed to the community in a way that had never been envisaged.

5. How easy is it to make changes to the activities included in your projects and programmes that reflect the changing needs of the communities you work with (pick only one)?			
		Response Percent	Response Count
Not easy at all (we struggle to make changes to planned activities)		11.5%	7
Somewhat easy (we can make some changes but it is difficult)		44.3%	27
Easy (we can make changes to activities as necessary)		34.4%	21
Very easy (our programming is flexible, dynamic and community-led)		9.8%	6

Diagram 3: from the online survey (see Annex C)

The country reviews (Annex G) highlighted examples of unintended positive consequences as

We hold regular reflection sessions with partners and draw lessons from the progress made and make necessary adjustments. There are quarterly reports where proposed changes are shared and discussed in the program team.

a result of Oxfam's work for communities and on its partnerships, specific examples from Kenya and Zimbabwe highlighted both improved capacity³⁰ and development of complementary programmes³¹. However, Oxfam's other main

Diagram 4: comment from survey respondent (see Annex C)

influence on civil society is its participation in networks and consortia and the sharing of information and learning. Learning is covered in section 3.3.1 below, however, it is important to discuss here the perception of Oxfam by civil society actors that it participates with and the impact that this has on civil society.

The country reviewers were told in interviews that Oxfam often has a central role to play in civil society in-country.³² This is especially true in Zimbabwe for example where Oxfam co-chairs the WASH Cluster that co-ordinates all disaster responses in-country. Additionally, Oxfam's programme team in Harare reported that they had been asked increasingly to share models of learning in networking events.³³ In Kenya, some civil society partners suggested that Oxfam did not participate enough in networking and other events³⁴ providing the perception that Oxfam's input is significantly valued by civil society when it is able to engage.

In summary, Oxfam's impact on its stakeholders is largely positive and easy to evidence as most communities and partners want to talk about working with Oxfam. As a result, it is likely that the impact of Oxfam's activities does go further, and generate more value, than is currently measured or measurable. For example, the significant amount of shared learning formally and informally distributed by Oxfam may be used by other organisations to improve

³⁰ Brady, R, Looking for Value, PPA Interim Progress Report Country Visit to Zimbabwe, August 2012

³¹ Rowley, J, Independent Progress Review of the General PPA, Oxfam GB, Country Visit to Kenya, September 2012

³² Interview with WASH Manager, UNICEF, Harare, 9 August 2012; Interviews with, DFID staff, Nairobi, Kenya, August 2012; Tayyab, M, The Independent Progress Review of the Oxfam GB General Programme Partnership Arrangement, Pakistan Country Visit, September 2012, pages 18, 24, 25

³³ Interview with Programme Co-ordinators, Harare 9 August 2012

³⁴ Rowley, J, Independent Progress Review of the General PPA, Oxfam GB, Country Visit to Kenya, September 2012, page 20

their organisational effectiveness. However, we will not know this unless Oxfam finds a mechanism to track how such shared learning is being used by other organisations.

3.2 Relevance

This section covers how Oxfam seeks to allocate its resources and target poverty effectively. Oxfam works on resource allocation at global, regional, country and project levels; targeting is a major and continuous preoccupation of the institution and the staff.

3.2.1 Representativeness

Logframe continues to respond to needs

The Oxfam interventions as described in the global outcomes are sufficiently broad and cover the entire range of activities in Oxfam's mandate and conform to the strategic level analyses and the overall approach to change. Oxfam's proposal to use the PPA to improve its contributions in humanitarian, development and campaigning work is reflected in the inclusiveness of the six global outcomes.

Country programme adjustments to remain relevant

The country visit reports describe effective country analyses based on annual reviews of strategic plans. These lead to re-adjustments in programme focus mostly related to levels of need. Humanitarian work in Kenya has been highly effective and in Pakistan responses are seen to be improving. Both programmes include positive effects of building resilience in their different contexts. The development of an urban programme in Kenya is a clear example of a country programme responding to assessments of need.

3.2.2 Targeting

Global level prioritisation

The International Division has been continuously developing methods for allocation of resources³⁵. The global team have discussed a wide range of appropriate criteria and different mechanisms for prioritisation and methods are tested against current and previous patterns of allocation. Top-level criteria include levels of potential influence, numbers of poor people, potential impact and cost-effective operations and the needs of those facing the most intractable problems of poverty. A system has been developed that calls for weighted analyses at country level of the criteria: level of need; Oxfam's distinctive competencies; the fit with Oxfam's global agenda; likely levels of funding and levels of risk. The resulting decisions on where to work also includes ratification through the Oxfam International collective process. The VFM analyses that appear clearly in the criterion described as cost-effectiveness have to be developed from the separate elements of the new system.

Country level assessments

The International Division Senior Management Team will undertake reviews at a global level every 3 years on allocations to country programmes and within regions. The global analysis is updated annually in a lighter exercise. The regions and country programmes are reviewed annually. Targeting within countries includes an assessment of a range of criteria although there tends to be a focus on need, and although described in geographical terms, includes understanding of differences within communities. The country visits looked in detail at projects that had been selected for effectiveness reviews and found adequate and flexible targeting within the projects.

The country analyses include more criteria and are more subtle and complex. For example, the Kenya programme works in the arid northern areas for a range of reasons including: the absolute levels of need, the history of relative neglect by central government, the need for advocacy and the length of Oxfam's experience in the area including relationships with partners. There are also analyses of the costs of working in these remote areas where communications and transport are very difficult. The assessments behind targeting at country level constitute a VFM analysis but they are not given this name.

³⁵ See for example: IDSMT Resource Allocation planning. July 2011 meeting of PLT. And, Global Team Meeting, 3-4 May 2012, Global Programme Investment Framework, Paper number:GTMay2012.11

Discussions at regional office level add to country level assessments. For example; the changing economic growth situation in Rwanda has led to discussions about the relevance of continuing work and how an Oxfam programme should reflect the changes. Staff do not shy away from questions of opening and closing country programmes as part of these discussions.

The OGB Kenya programme is in the process of contributing to a significant initiative that will facilitate targeting across an entire area of the northern arid lands. A mass registration exercise will create a database of all households in the area with observations on their levels of wellbeing. This database will be able to support all development interventions in the area on targeting and assessing their impact on households in different wellbeing categories.

Humanitarian needs

Oxfam is a humanitarian organisation that responds to humanitarian emergencies and maintains a large (£3m) Catastrophe Fund from unrestricted sources in order to be able to respond effectively and quickly. The decisions to intervene are made at a national level but there are considerable exchanges between country, regional and global offices when emergencies occur. The decision-making that led to the 2011 drought in the Horn of Africa being declared as an emergency was perceived to be poor and has led to a range of measures to assess and improve responses to such slow-onset emergencies.

Overall, the IPR has found an organisation in perpetual assessment and review of where it works and how its work is targeted at programme level and within projects.

The effectiveness reviews will add information and learning to the decision-making processes on targeting and resource allocation in development and campaigns and advocacy and possibly also in humanitarian work.

3.3 Effectiveness

A measure of effectiveness is essential to determine the value for money of the PPA funding provided to Oxfam (see section 3.4.1).

3.3.1 Learning

The different categories of learning as defined in the report structure are interdependent in that good learning from programme work is the necessary starting point for sharing learning more widely within the institution and with others in the sector. The IPR found examples of learning that could fit into several of the categories for that reason. The problem for the IPR team in this section was in choosing which examples to include and which to exclude.

Learning that improves the organisation's own capacity

The effectiveness reviews are a clear example of the investment of unrestricted funding, including PPA funding, in the collection of learning that is of value to the organisation. The impact assessments of projects are providing insights into the nature of successful projects, which will become more useful when a larger number are completed. However, the effectiveness reviews are also testing impact assessment methods and this is of considerable value to other actors in the sector.

In Kenya, Oxfam has reorganised the reporting lines of MEL staff to the Country Director rather than to the programme co-ordinator level; the Pakistan programme is in the process of making the same changes. This restructuring should provide for more robust reporting and allow greater opportunities for internal learning.

The Pakistan programme has held events with partners in order to support learning from the Flood Response Programme. These were important as there had been some contentious elements in the response to the 2010 floods. There are also suggestions that the responses to the 2011 floods in Sindh were better than those in 2010³⁶.

Learning that provides contextual knowledge

The IPR Zimbabwe country visit report describes a simple case of learning about a goat-rearing project where the context and the constraints under which beneficiaries work became

³⁶Clearly the scale of the two events cannot be compared.

better understood and improvements in the programme were introduced. The learning from the Zimbabwe programme on small stock-rearing was further amplified to others when it was submitted to, and won, a best practice competition managed by DFID.

The IPR Pakistan country visit report describes methods for rearing chickens that were found to be particularly effective. The methods have been shared with colleagues in other parts of South Asia and the learning processes could be described as both learning for the programme and learning shared with others.

The DECAF³⁷ provides a learning process as part of peer reviews of the quality of humanitarian responses. The reviews are focused on specific aspects of programme performance but provide opportunities for learning and appear to include genuinely critical and self-critical assessments.

Oxfam country office staff cite Oxfam sources, particularly the intranet, as key sources of learning. Our enquiries covered technical and professional issues. OPAL is appreciated as a useful tool but is considered by most informants to be underused and to have problems with compliance [9, 12, 24 and others]. The two issues may be related if fear of incomplete records dissuades people from exploiting the reporting and management potential.

Most of the contents (but not attached documents) of OPAL can be searched and this is easier for some people if they move the contents into other software applications. Most informants suggested that more training and support would be necessary to get the best out of the OPAL and other online systems.

Learning that can be shared with others

The DFID feedback on the APR was critical of Oxfam's failure to describe sufficiently well its contributions to learning within the sector. The IPR can offer a range of observations to highlight the importance of Oxfam's contributions to learning of others.

The most striking observations come from observers in the UK who comment on the policy and practice website³⁸ with extraordinary praise, "*the most fabulous I've ever seen*", "*absolutely brilliant*", "*extremely big contribution to the sector*", [7, 14³⁹]. The website offers free access to over 3,000 Oxfam publications, including policy papers, research reports, case studies, training manuals and technical briefs. Visits to the new site have gone up from 3,500 per month to 20,000. Downloads of publications from the site have more than doubled from around 2,300 per month to over 5,000 per month⁴⁰.

There is a very large number of learning initiatives being carried out by staff in Oxfam House and the IPR was only able to explore a small number. Although the initiatives are supported by unrestricted funding and promoted as part of a core commitment to sharing learning, the funds used do not usually include PPA grant money.

Oxfam has shared the lead role on the PPA Institutional Effectiveness Learning Group and supported a remarkable learning event during the IPR in which consultants working on the IPRs and staff of PPA holder organisations met to discuss the IPR processes. About 60 people attended the one-day event. This group organised an earlier survey of PPA holders to assess their attitudes to the use of PPA funds. This brought to the surface a number of major concerns about how PPA funds are described, managed and evaluated⁴¹. The survey raises the issue of how an emphasis on output level funding could reduce the value of the funding⁴².

³⁷DEC Accountability Framework Assessment Validation and Peer Review, 2011/12, Alice Obrecht, Christina Laybourn, Michael Hammer & Stéphanie Ray, One World Trust.

³⁸<http://policy-practice.oxfam.org.uk/>

³⁹The two interviewees cited are not Oxfam employees.

⁴⁰Libby Hayward by email.

⁴¹PPA Learning Partnership, Strategic Funding Survey – synthesis report, Produced by CAFOD and World Vision UK on behalf of the Institutional Effectiveness Learning Group (IELG) (nd).

⁴²(ibid.) p3.

The PPA Learning Group on Resilience is an opportunity for sharing learning within the sector. There has been a lull of activity since the DFID support lapsed to the earlier inter-agency group that is credited with supporting the crucial publications authored by John Twigg⁴³. The new group has only just started to create some momentum, and it is expected that “more and more products [will] come out of it.”⁴⁴. The IPR is too early to assess how much this group will contribute.⁴⁵

The ACCRA programme has been evaluated as part of the IPR of the CHASE PPA but was also mentioned to us as a key source of learning for the sector. The sharing of learning has led to “a lot of plaudits” and products are among the most downloaded from the ODI site.⁴⁶

The IPR Kenya country visit report mentions the specific example of the Dangerous Delay report,⁴⁷ which is widely cited by other actors and raises important questions about how slow-onset disasters are assessed and declared to be an emergency. Also in Kenya, the Cash Transfer Learning Partnership (CaLP) Co-ordinator explained the value to partnership members of the learning shared by Oxfam GB staff particularly that based on the work in the Hunger Safety Net Programme between 2008 and 2012. Some key members of OGB staff have changed but the learning seems available to others within the organisation.

As mentioned above, there is considerable interest in the sector in the learning that may be developed from the effectiveness reviews. The nature of the sampling of Oxfam projects means that the value of the initiative will only be properly assessed towards the end of the PPA grant period when a sufficiently large number of projects have been reviewed. This will allow for an overall evaluation and for the country management teams concerned to evaluate the usefulness of the findings for their own programme learning.

3.3.2 Innovation

This section considers Oxfam’s ability to innovate and channel this innovation.

Innovation and flexibility central to Oxfam’s business model

The IPR found that innovation is a central part of Oxfam’s business model, with one interviewee summarising it as being able to “*innovate, demonstrate, communicate, replicate.*”⁴⁸ The country reports from the three visits undertaken as part of this review all draw the link between innovation and independence (and in some cases reputation or respect) and the importance of flexible funding in enabling innovation.⁴⁹

Long term development programmes and the donors that fund them often seek significant resources as co-financing contributions, without unrestricted resources we would not be competitive to secure such funds. UR funds contribute to working in difficult environments because they can provide a stability to programming that restricted only funds cannot. Innovation programming almost only ever happens with more flexible, unrestricted funds and is essential for moving learning and improvements forward. Unrestricted funds play an essential role in contributing resources that attract funding from restricted sources.

Diagram 5: comment from survey respondent (see Annex C)

Innovation and flexibility are clearly central to international development, as is characterised through Oxfam’s Strategic Steer document, in which the organisation highlights three dominant themes for its work in the coming years: Volatility, Scarcity and New Political

⁴³For example, John Twigg, Characteristics of a Disaster-Resilient Community, A Guidance Note, Version 2, November 2009.

⁴⁴ Interview with MEAL Advisor Kenya, August 2012

⁴⁵ Ibid

⁴⁶ Ibid

⁴⁷Oxfam GB and Save the Children, Joint Agency Briefing Paper 18 January 2012, A Dangerous Delay, The cost of late response to early warnings in the 2011 drought in the Horn of Africa

⁴⁸ Interview with Chris Anderson, Global Advisor – DRR, 21 August 2012

⁴⁹ Brady, R, Looking for Value, PPA Interim Progress Report Country Visit to Zimbabwe, August 2012; Rowley, J, Independent Progress Review of the General PPA, Oxfam GB, Country Visit to Kenya, September 2012; Tayyab, M, The Independent Progress Review of the Oxfam GB General Programme Partnership Arrangement, Pakistan Country Visit, September 2012

Dynamics.⁵⁰ It is clear from interviews and country visits that to continue to achieve its aims and objectives, Oxfam has to increase its innovative and flexible responses to country environments.

In the online survey staff were asked to assess the importance of unrestricted funding to a range of different institutional and programme work including “*supporting innovation in programming*”. This scored the highest response⁵¹ with 98% of respondents rating unrestricted funding as ‘*Important*’ or ‘*Very Important*’ to supporting innovation.

Country teams also believe that innovation is linked to responding to the needs of the communities that they serve.⁵² This is underscored by the use of Innovation Funds⁵³ within Oxfam. Innovation Funds (made up of unrestricted funding) are held at the regional office level, with country offices in each region bidding for funding to undertake projects and programmes that may not get funding elsewhere, or that have higher risk factor/s associated with them. In Kenya, one such project is the piloting of a portable toilet or potty called *jitegemee* in association with the sanitation work of the Biocentres.⁵⁴ This has helped women and young children to improve their sanitation especially during the night. The idea has been worth testing and there are issues with the current price so further development may be required.⁵⁵

The Southern Africa Regional Innovation Fund supported the development of the Ruti Irrigation Scheme in Gutu District in Masvingo Province, Zimbabwe (see Box 1). The Zimbabwe Country Director identified that the Ruti Irrigation Scheme would not have been possible without flexible funding such as the PPA; adding that the project had been a challenge for Oxfam GB in Zimbabwe as it was not the kind of project that Oxfam usually delivered in Zimbabwe. Additionally, the project has had an impact on the way that the country office delivers advocacy: the project’s stakeholders include the government, who have provided skills and equipment. This provides government with a stake in the success of the project, which in turn puts pressure on government to respond to inequalities in irrigation policies.⁵⁶ The Zimbabwe team is clear about the link between the ability to innovate and unrestricted and flexible funding such as PPA funds: one is not possible without the other. More importantly, successful innovation can attract funding from elsewhere.⁵⁷

The IPR Pakistan country visit also found that unrestricted funds enabled the organisation to identify root causes and suggest innovative concepts relevant to community needs. PKNC-73 (home based poultry production for poor women) is one example how unrestricted funds are used for innovative modelling. The project’s financial input was only £1,997, which was used to diversify livelihoods and help link women to markets. The model adopted by PKNC-73 is to be replicated in Bangladesh.⁵⁸

In summary, we can see that innovation is central to Oxfam’s business model and is reliant on having access to unrestricted or flexible funding such as the PPA. This type of funding is therefore essential to Oxfam’s model in a way that few NGOs can, or do, describe.

⁵⁰ Oxfam Strategic Steer, 2012/13 – 2014/15, no date

⁵¹ The next nearest was 91% on leveraging restricted funding.

⁵² Interview with the Senior Leadership Team, Harare, 8 August 2012

⁵³ “Buffer funds” can also be used to support innovation.

⁵⁴ Already mentioned in the Additionality Report that accompanied the Year 1 APR

⁵⁵ Interviews with Josiah Omotto, Umande Trust, Nairobi; Interviews with Staff and users (22 men, 1 woman) of four different Biocentres in Kibera, Nairobi, August 2012

⁵⁶ Interview with Dr Tsitsi Choruma, Harare, 6 August 2012

⁵⁷ Interview with the Senior Leadership Team, Harare, 8 August 2012

⁵⁸ Tayyab, M, The Independent Progress Review of the Oxfam GB General Programme Partnership Arrangement, Pakistan Country Visit, September 2012, page 19

3.3.3 Partnership working

The Oxfam commitment to working in partnerships ⁵⁹ describes six principles of partnerships:

- Shared vision and values.
- Complementarity of purpose and value-added.
- Autonomy and independence.
- Transparency and mutual accountability.
- Clarity on roles and responsibilities.
- Commitment to joint learning.

Partnership working appears to be central to Oxfam's work and how Oxfam staff think about development work.

How important is access to unrestricted funding for the following?					
	Not at all important	Somewhat important	Important	Very important	Response Count
Working in partnership with other organisations	3.7% (2)	24.1% (13)	44.4% (24)	27.8% (15)	54

Diagram 6: from the online survey (see Annex C)

A key element of the nature of partnership working is that it requires staff time and in many cases this is paid for through unrestricted funding. Some projects include staff costs for co-ordinating networks and consortiums. However, the IPR has collected evidence from staff who put in considerable amounts of time to manage and support partnerships of different types. The responses from the online survey highlighted above demonstrate that country office staff generally agree with this suggestion. The administrative budget in country offices is covered mostly by unrestricted funds although staff time is charged to projects in various proportions when it can be. Oxfam staff mostly do not account for the time they spend on promoting and supporting partnerships, nor do they separately assess the impact.

17. Which tasks involved in working with partners create additional work					
	Minor guidance - easily absorbed in routine work	Some additional staff time always required - has to be added to work plans	Important amounts of staff time required - additional support required	Regular capacity strengthening always required - additional funding necessary	Response Count
Project identification and design	5.6% (3)	35.2% (19)	44.4% (24)	14.8% (8)	54
Implementation	10.7% (6)	28.6% (16)	46.4% (26)	14.3% (8)	56
Monitoring	3.6% (2)	21.8% (12)	47.3% (26)	27.3% (15)	55
Financial accounting	9.4% (5)	28.3% (15)	35.8% (19)	26.4% (14)	53
Ensuring equity of impacts	5.5% (3)	23.6% (13)	47.3% (26)	23.6% (13)	55
Reporting	3.6% (2)	20.0% (11)	43.6% (24)	32.7% (18)	55
Partners lead on advocacy or campaigns	9.1% (5)	23.6% (13)	41.8% (23)	25.5% (14)	55

Diagram 7: from the online survey (see Annex C)

⁵⁹Oxfam, Working Together, Oxfam's Partnership Principles, March 2012

However, the results from the online survey suggest that country office staff are quite clear that extra work is required and in most cases this requires additional staff time or additional funding. This seems to be particularly true for monitoring and reporting.

The effectiveness review in Pakistan showed extremely positive results and the work was carried out by two different partner agencies. It is interesting that the two different partners are of different sizes and have had relationships with Oxfam for quite different lengths of time. Nevertheless, both showed the qualities of local engagement that seemed to be instrumental in promoting the positive impacts.

In Zimbabwe the IPR was able to explore two different cases of partnership working. One involved working with government offices in the case of an irrigation project and the other concerns the support to a men's group in M&E work. The capacity building was successful and improved not only the quality of reporting but also the confidence and understanding of staff. Oxfam also helped the organisation to develop a range of tools for engaging with men on issues of gender-based violence. The toolkit was promoted by the organisation with a newfound confidence and has been adopted by the Zimbabwe Government.

Oxfam's work in Wajir in North Eastern Kenya is almost entirely through partners some of whom have had a relationship with Oxfam for over 20 years. The partners have relationships with other agencies and would continue their work without Oxfam.

The impact of unrestricted funding on partnership working was shown in two projects in Kenya in which Oxfam led a partnership of six organisations with some success whilst another member of the same group led another project but had significant problems related, according to informants, to a lack of unrestricted funding. Problems included breaks in funding and frequent changes in staff which involved a loss of technical skills and local knowledge.

The ACCRA consortium has been funded in two phases with different mechanisms and in the second phase the funding to the different agencies was managed by Oxfam. Staff at ODI found this to be a significant advantage since the fund holder was therefore fully informed about the content of the work and better able to make adjustments in management and to funding.⁶⁰ This praise for management by Oxfam is almost a definition of genuinely unrestricted funding.

3.3.4 Sustainability

For this independent progress review, sustainability has been framed in terms of the organisation's ability to leverage additional funding on the back of PPA funds. While that makes sense in the scope of what PPA funding could be used for, it is not in itself a measure of sustainability of an organisation.

The IPR country visits saw a number of instances where unrestricted and flexible funding like PPA was used to leverage additional funds from other sources. In most instances using funding to leverage additional funding typically falls into four categories:

1. Funding the start-up of projects that are then subsequently funded from restricted sources:
This is probably the most familiar application of flexible funding through innovation in order to prove that an approach works, and demonstrate its effectiveness in order to attract additional funding that can allow the project to be scaled up or extended. An example of this approach can be seen in the development of an urban programme in Kenya where unrestricted funds of about £40,000 have been used to support a programme that now receives about £400,000 in restricted funds for project work. As mentioned above, the online survey found staff ranking the use of unrestricted funds for "*Helping to access funding from restricted sources such as government, foundations, bilateral donors, etc.*" as the second most important use.

⁶⁰ Interview with Clemence Nyamandi, MEAL Advisor, Kenya, August 2012

2. Bridging funding gaps between restricted funding cycles: This function is crucial to the notion of sustainability. In cases where restricted funding ends before new funding is put in place, it is essential that the programme can continue uninterrupted. This is essential to prevent the laying-off of staff, loss of reputation amongst communities and ensure continuation of programme objectives. An example of where using funding in this way has been successful is in bridging the gap between the 2nd and 3rd phases of the ECHO La Nina project in Northern Kenya. Oxfam's use of unrestricted funding extended and maintained the momentum of work of several members of a consortium over several months. Assessments of the value of such bridging should include an estimate of the costs of allowing the work to stop and then attempting to restart it; that is, the counterfactual.
3. Pre-financing projects that have been already approved for funding, but the restricted funding has not yet been delivered: This mostly occurs in responses to humanitarian crises. DFID officials in Kenya reported on Oxfam's ability to use existing unrestricted or flexible funding to commence operations during the Kenya drought response programme and the regional Horn of Africa drought response. The Catastrophe Fund (unrestricted funding used in the drought crisis in 2011) was used to bridge a considerable funding delay (several months) in providing support to the Dadaab Refugee Camp. This had an impact on the lives of the refugees in that camp. Oxfam was praised for the quality, speed and impact of this work by DFID staff in Nairobi who also pointed out that Oxfam had done more than had been contracted and expected⁶¹.
4. Partners who have been able to leverage funding from other donors as a result of unrestricted funding used by Oxfam: Padare Men's Forum on Gender in Harare was able to leverage funding from UN Women based on the quality of their MEL reporting, which is a direct result of the capacity assessment and capacity building programme that Oxfam GB in Zimbabwe put in place as part of the partnership agreement with Padare. The funding from UN Women replaced the partnership agreement with Oxfam⁶².

In addition, it is recognised that unrestricted and flexible funding like PPA can also pay for significant fundraising activities that can unlock restricted funding from a host of potential donors. This is acknowledged in interviews at both Oxfam House⁶³ and country office level.⁶⁴

The IPR came across many other examples of the use of unrestricted funding to obtain restricted funds and the spending of unrestricted for this purpose is usually within administrative budgets. The country visit reports contain more information on this form of leveraging. One particularly interesting use of unrestricted funding is the 'Strategic Opportunities Fund' which is used to fund additional research or consultant time to support funding requests to donors usually by going into new areas or using new approaches.

Investments in FY11-12				
Opportunity	Donor	Country	Request	Outcome
Design of new WASH programme and national policy initiative	DFID	Tajikistan	£11,400	£3 million (unconfirmed)
AAVAZ citizen empowerment and gender	DFID	Pakistan	£15,778	Rejection
Trade and agriculture	Comic Relief	Ethiopia	£950	£2 million grant approved

Table 12: funding proposals supported using the Strategic Opportunities Fund FY11-12

⁶¹ Interviews with DFID staff, Nairobi, August 2012

⁶² Interview with Interview with the Director and Programme Officer, Padare Men's Forum on Gender, Harare, 9 August 2012

⁶³ Interview with Funding Manager DFID, Oxfam House, 6 September 2012;

⁶⁴ Interview with Nomvuyo Madziro, Harare, 9 August 2012

Investments in FY12-13				
Opportunity	Donor	Country	Request	Outcome
Competitive tender Vietnam Empowerment and Accountability Programme	DFID	Vietnam	£2,000	£3.5m over 3 years
Emergency response programme	Japanese Social Development Fund World Bank	Niger	£9,450	£607,498

Table 13: funding proposals supported using the Strategic Opportunities Fund FY12-13

What was evident from the interviews with Oxfam's partners was that preparing joint funding bids and developing capacity of the partner organisations resulted in additional funds being leveraged either towards existing projects or as replacement funding when Oxfam exited a partnership. Leveraging funding to replace Oxfam's funding on exit is an excellent example of value for money as it highlights not only that the MEL capacity building activities and media delivered benefits for the project, it also delivered benefits in raising the confidence of other funders in the organisation's ability to deliver activities on the ground.⁶⁵

In summary, it is clear that Oxfam has been able to develop clear leveraging power with its unrestricted and flexible funding such as PPA funding in order to maintain programme activities, extend programmes, respond to emergencies and enable other NGOs to leverage funds through capacity building and partnerships.

3.4 Efficiency

Under the DAC criterion of efficiency, the IPR looked at Oxfam's ability to provide evidence of its cost-effectiveness, demonstrate an understanding of costs, the factors that drive them, the linkages to its performance and an ability to achieve efficiency gains. Efficiency also included consideration of value for money.

Improved efficiencies and cost-effectiveness

The IPR found that Oxfam has improved efficiencies in its procurement and programme management through the introduction of new systems such as HELIOS and the upgrading of existing systems such as OPAL.

During interviews and country visits the staff have consistently demonstrated an awareness of cost drivers that could affect efficiency. This was demonstrated in the discussions with the Business Services Team in Harare.⁶⁶ While the Finance Team in Kenya highlighted the differences between the different cost drivers for the Turkana programme (more operational working) and Wajir programme (more partner based), they did not see this as requiring an adjustment of the value for money assessment in each case, but rather purely about cost control.

The introduction of HELIOS improved planning and required programme teams to think ahead about their project requirements; leading to more savings.⁶⁷ Partly this is because HELIOS encourages better and longer-term planning and, as a result, fewer urgent or duplicate purchases occur.

In addition, the organisation has made strides in tackling some traditionally difficult areas to adjust efficiencies in, such as fleet maintenance. Tachometers have been fitted to OGB vehicles in Northern Kenya that record, and upload to a server, the speed and position of

⁶⁵ Interviews with Murtaza Malik, WASH Manager, UNICEF, Harare, 9 August 2012; Interview with Kevin Hazangwi, Director and Obert Chigodora, Programme Officer, Padare Men's Forum on Gender, Harare, 9 August 2012

⁶⁶ Interview with Business Services Team, Harare, 8 August 2012

⁶⁷ Interview with Business Services Team, Harare, 8 August 2012 and interview with Programme Coordinators, Harare, 9 August 2012; Interviews with Richard Koiwang, Finance Manager and Anthony Wanyika, Funding Coordinator, Nairobi, August 2012

vehicles.⁶⁸ This has led to savings in fuel and maintenance costs. The value for money of the gadget improves with each year it is in use. There has been an additional, and unintended, benefit which has led to an improved Oxfam image with drivers being more attentive to driving slowly in settlements. Fuel is made available according to planned journeys and this has also reduced fuel costs.

Oxfam appears to be continuously looking for efficiencies in its operations as has been demonstrated with these examples.

Increasingly donors such as DFID are also looking at value for money alongside efficiencies and taking a broader view of value than just being cost-effectiveness as has been described above.

3.4.1 Value for money assessment

During this review the BOND/ITAD guidance on integrating value for money into the programming cycle⁶⁹ was integrated into the questions used as the basis for interviews and focus groups to determine whether value for money was included in programme design and evaluation; alongside a review of Oxfam GB's approach to value for money as described in its internal guidance.⁷⁰

Value for money is fully integrated into Oxfam, which uses the '4Es' Approach:

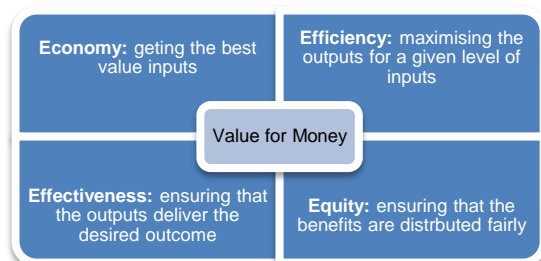


Diagram 8: from Value for Money: Briefing Note, Oxfam, January 2012

The internal lead for value for money in Oxfam explained that it is not seen as a separate process, but rather as part of the design and planning process for all Oxfam programmes. Value for money is part of constructing the narrative of the programme and is specifically added in to small-*n* programmes and activities. Value for money is also being included in the OPAL programme management software used by Oxfam.⁷¹ This means that although Oxfam has chosen not to use financial analysis methodologies such as social return on investment, it has nevertheless identified clear guidelines for value within its programme design at a corporate level.

The '4Es' Approach to value for money fits comfortably with the DAC criteria being used for this review of the PPA funding awarded to Oxfam. Most especially when considering the value elements: 'efficiency' and 'effectiveness'.

Oxfam does not, however, report on value for money in its annual review in terms of the guidelines that have been produced. This will be possible once value for money criteria have been integrated into OPAL and a corporate policy on this kind of reporting has been agreed. This does indicate that value for money is still an emergent area for Oxfam, something that was reinforced during the country visits.

Economy

Central to Oxfam's approach to value is the use of systems such as HELIOS (procurement) and OPAL (project management) as described in 4.3 above. HELIOS is certainly transforming procurement at country level with reports from all country offices interviewed that it has

⁶⁸ Interview with James Ndirangu, Grants Accountant, Nairobi, August 2012

⁶⁹ Value for Money: Integrating Value for Money into the Programme Cycle, BOND/ITAD, January 2012

⁷⁰ Value for Money: Briefing Note, Oxfam GB, January 2012

⁷¹ Interview with Helen Bushell, Oxfam House, 21 August 2012

impacted positively on the way that fixtures, fittings and equipment are planned, ordered and used.

In Kenya the country reviewer identified that the system did result in better value equipment and other inputs being sourced, but that it did have an unintended consequence of impacting negatively on the local economy as sourcing often became centralised in order to achieve economies of scale. Whilst the staff in the offices outside of Nairobi agreed with this assessment they did highlight Oxfam's commitment to local procurement where possible and noted that in their view, Oxfam had other, positive impacts on the local economies outside of the capital.⁷²

Efficiency

As mentioned above, Oxfam has invested in upgrading its systems to drive cost-efficiencies across its operations. This has had the important impact of changing the way that staff plan and execute programmes and procurement in a more systematic manner.

Staff in the country offices echoed this view in interviews where they highlighted that the introduction of HELIOS and the changes in OPAL had improved planning and required programme teams to think ahead about their project requirements.⁷³ Additionally, staff reported that although the changes in systems and requirements to respond to workflow prompts and complete data entry had been difficult to get used to, the result had been an improvement in their work and productivity.⁷⁴

Effectiveness

Oxfam's effectiveness in general is covered substantially in section 3.3 above. In Oxfam's definition of effectiveness within its value for money briefing note, Oxfam highlights the importance of getting the desired outcome from its outputs. To achieve this, effective reporting via MEL systems is important. Oxfam has invested heavily in the Global Performance Framework and the effectiveness review process in order to improve its understanding of outcomes and impact and to be able to report on the difference that its work makes.

What is important to note from a value for money perspective is the leveraging of additional funds and the scaling-up or re-financing of innovative projects and programmes.

Equity

Under the '4Es' value for money system, equity is ensuring that the benefits are shared equally. Oxfam's value for money briefing note for field staff dated January 2012 does not expand on the role that equity plays in value for money nor what Oxfam is doing about it.

We understand equity to be about the value that is generated mainly for the beneficiaries in their lives as a result of the programme or intervention, but this can also include other stakeholders such as other NGOs, local government, etc. who are part of the programme or intervention.

During initial discussions in Zimbabwe, it was clear that while cost-effectiveness and efficiency as concepts were well understood, the broader concept of value as described above did not appear to be particularly well understood in terms of Oxfam GB's internal guidance.

⁷² Rowley, J, Independent Progress Review of the General PPA, Oxfam GB, Country Visit to Kenya, September 2012, pages 19 - 20

⁷³ Interview with Business Services Team, Harare, 8 August 2012 and interview with Programme Coordinators, Harare, 9 August 2012

⁷⁴ Interview with Sebastian Grey and Ntando Ndebele, MEL Officers, Harare, 8 August 2012

The country reviewer in Zimbabwe undertook two focus groups with the community that had been subject to the effectiveness review reported on in the Year 1 APR. The results of this focus group work have been presented in detail in the country report. The project was the Ruti Irrigation Scheme previously reported on under section 3.1.2. The objective of the programme was the year-round output of crops to indirectly benefit 50,000 people in the surrounding wards by enabling a more diverse and secure source of food. As part of the focus group the participants were asked how valuable the programme had been to various stakeholder groups, using the 20-bean method.

Both focus groups believed that the project was very valuable at the household level (farmers and their families), but still held less value to customers. The committee and the farmers were divided in their responses to the question of value to the community and reflected two sides to the issue: how the farmers viewed their own engagement with their neighbours and how that had changed over time; and how the committee viewed the community's engagement with the project over time.

When discussing project impact during the beneficiary focus groups at the Ruti Irrigation Scheme project, it was clear that the value of activities in terms of well-being, health, economic development, etc was understood in the context of the project.⁷⁵ However, this reporting had yet to make its way into Oxfam's systems.

There are implications for the equity issue in the functioning of HELIOS where it promotes more central purchasing in the capital city and less local purchasing in a sub-office. Local procurement is pursued as part of making a contribution to the local economy but HELIOS does not specify local procurement. Staff in Lodwar (a remote sub-office in Kenya) and in Nairobi (the capital) were aware of this issue and entirely fluent in describing situations where local procurement is used and when HELIOS planned purchasing would be used to reduce costs and when the system might be over-ridden by a waiver allowing a local purchase order to be raised.

Box 4

Comments from the discussion:

The farmers reported that their physical appearance had improved in terms of skin texture and their children were showing signs of growing bigger.

"Some of us are seeing our lives being changed by this project"

"We get poor prices from customers who always want to negotiate on prices to almost getting our produce for free."

"If you are an irrigation farmer in the community you automatically gain respect and the community treat you well expecting that you will employ them or sell them crop produce cheaply, so we are highly respected now than before the project." "During community meetings we [irrigation farmers] are classified as better off in terms of food security, and therefore we are no longer on the Christian Care beneficiary list for food aid".

The committee felt that production was not yet high enough to make the scheme that valuable to buyers.

"Production has to increase to benefit the wider community more"

"There are a few people who live far from the scheme who may not feel the benefits of the scheme"

⁷⁵ But possibly not in VfM terms that can compare a sustainable livelihoods project with an advocacy programme or an urban livelihoods project.

Box 5
Implementing Equity

Including equity for beneficiaries and other stakeholders into programme design is not difficult and can build on existing consultation exercises during programme design, review, implementation and evaluation.

In the same way that a community will understand what programmatic outcomes it wants to see at the end of an intervention, it will also have value aspirations it wants to achieve through the intervention, which can be different from the NGO's. Recording these as part of the intended outcomes will mean being able to track actual against intended value creation.

This does mean managing the community's expectations and ensuring the expected equity is realistic. It also means being able to report in a robust way to donors and supporters on how value creation is helping to alleviate poverty.

So it would be possible to sum up the value for money assessment for Oxfam thus:

Oxfam has made great strides in introducing and improving systems to deliver greater economies and efficiencies within the organisation and worked hard to increase the effectiveness of its MEL systems and processes and its reporting in order to provide better data with which to take future strategic decisions that will in time increase further the effectiveness of its programming.

This is not necessarily any different from other organisations. Value for money is still a relatively new area within international development and clear definitions of what it actually means for organisations operating complex structures has yet to be agreed⁷⁶. Oxfam's experiences with value for money will be useful in gaining sector-wide clarity and agreement about equity.

3.5 Impact and value for money of PPA funding

3.5.1 Attributable impacts of PPA funding on results, relevance, effectiveness and efficiency

In considering the impact that PPA funding has had on Oxfam's performance against the evaluation criteria discussed in section 3.4 we have been mindful of Oxfam's approach to this flexible funding stream and have considered how important unrestricted funding has been to Oxfam's programme of work.

Through the interviews, country visits, online survey and document reviews we have identified the following areas that demonstrate the importance of unrestricted and flexible funding like PPA:

- Innovation and flexibility
- Partnership working
- Shared learning
- Staff skills and experience

1. Innovation and flexibility: Flexibility is seen as a partner to innovation. As mentioned before, innovation is central to Oxfam's business model (see section 3.3.2). The use of flexible funding such as the PPA has been shown to be essential for Oxfam in retaining a sense of independence. This is something that interviewees have linked directly to

⁷⁶Some observers suggested that this is because of a lack of clarity from DFID who might normally lead in this area. Others that the VFM jargon obscures what is largely understood and assessed more commonly as cost effectiveness [PPA working group meeting 11 September 2012.]

Oxfam's ability to undertake projects that can sometimes be challenging to other stakeholders and push through appropriate change over time.⁷⁷

A good example of how flexibility and adaptability is essential in fast changing contexts such as can be found in Pakistan. Tensions between federal and provincial government (including at district and tehsil level) have negatively impacted on monitoring activities and therefore on effectiveness. This, together with the high inflation rates over the past three years and the frequent natural disasters in the area, present an ongoing challenge to Oxfam that it feels best able to meet through having sufficient flexible funding available. Unrestricted funds provide ample flexibility and adaptability to Oxfam in the fast changing context of Pakistan.⁷⁸

2. Partnership working: Partnership working is central to how Oxfam delivers its objectives. The clearest example of impact that was demonstrated during the country visits was that of Oxfam's partnership with Padare Men's Forum on Gender⁷⁹. Padare benefitted significantly from Oxfam's support on M&E and media capacity building, to the extent that Padare was able to attract replacement funding from another agency when the Oxfam partnership came to an end. From an activity perspective the toolkit on including men in gender activities that has been developed by Oxfam and Padare has been taken up by the government and Oxfam in Zambia has visited Oxfam in Zimbabwe to see how the toolkit is being used.

In addition, the country review in Kenya picked up an excellent example of where the value of unrestricted and flexible funding was illustrated through two consortia operating side-by-side:

Two drought management initiative projects⁸⁰ were each managed by a consortium containing the same partner agencies but with different lead agencies. One of the consortia was led by Oxfam. The final evaluation of one of the projects⁸¹ reports difficulties in management of the consortium caused by frequent changes of staff, lack of technical leadership and delays in funding to other partners. In the other project the partners praised Oxfam's leadership and the other problems were not experienced.⁸² The absence of these problems is linked to the availability of flexible funding.⁸³

3. Sharing learning: In Kenya, learning on cash transfers was sought after by the members of the CaLP. Oxfam was seen, on the one hand, as an experienced, expert and important source and, on the other, as sometimes miserly in its sharing.⁸⁴ Oxfam has used flexible funding to fund an international advisor in the area of Urban Social Protection, which is a new area of work in Kenya. This has helped form and strengthen a consortium of CSOs, multi-laterals and government departments to pilot social protection in Nairobi. Oxfam is now a leader and has been requested by the Government of Kenya to help with the expansion of the work to Mombasa. Oxfam's participation was one of the pre-requisites of

⁷⁷ Brady, R, Looking for Value, PPA Interim Progress Report Country Visit to Zimbabwe, August 2012, page 31 – 32; Rowley, J, Independent Progress Review of the General PPA, Oxfam GB, Country Visit to Kenya, September 2012, page 17

⁷⁸ Tayyab, M, The Independent Progress Review of the Oxfam GB General Programme Partnership Arrangement, Pakistan Country Visit, September 2012, page 22

⁷⁹ Brady, R, Looking for Value, PPA Interim Progress Report Country Visit to Zimbabwe, August 2012, page 32 - 33

⁸⁰ Drought Management Initiative, Water Development, Supported by the European Commission in North Pokot & Turkana Districts and The Turkana-Pokot Drought Management Initiative Project: Mitigating the Impacts of Climate Shocks in Livestock Based Livelihoods.

⁸¹ Wekesa, M, Drought Management Initiative, Water Development, Supported by the European Commission in North Pokot & Turkana Districts, End of Project Evaluation Report, August 2011

⁸² Interviews with Michael Ameripus and Haret Hambe, VSF Belgium, Lodwar and Nicoletta Buono, VSF Germany, Nairobi, August 2012

⁸³ Interviews with Nicoletta Buono, VSF Germany, Nairobi and Gabriel Kontuma, Deputy Programme Coordinator, Lodwar, August 2012

⁸⁴ Interview with Glen Hughson, CaLP, Nairobi, August 2012

the government's approval. This initial investment is now being increasingly recovered and has already leveraged significant funding for poor people in urban areas.⁸⁵

The country office in Zimbabwe noted that this year more than any they have been asked by other NGOs to share models of working or participate in learning activities.⁸⁶ An important example of this is the DFID-led competition for identifying best practice in order to create a common or shared pool of knowledge on development activities. Oxfam has previously won these best practice awards twice.⁸⁷

4. **Staff Skills and Experience:** One of the hardest things for any organisation to measure is the contribution that its internal training programme makes to delivering its objectives. During interviews and online survey, Oxfam staff told us that a skilled, well-trained and experienced team is one of the things that sets Oxfam apart and is something that they bring to the table more so than others. In fact the Programme Co-ordinators in Zimbabwe suggested that because of the fast pace of change in the country, and the need to keep up and develop new skills, they take a novel approach to training and meetings, whereby they 'work' meetings in order to ensure that they can make use of every opportunity to learn or share learning with others.⁸⁸

7. What is the added value that Oxfam GB brings to working in your country? (tick as many as apply)			
		Response Percent	Response Count
Skills and experience of the staff team		82.3%	51

Diagram 9: from the online survey (see Annex C)

Oxfam has also invested significantly in new MEL (section 3.1.1) and procurement systems, which are directly referenced throughout Oxfam's PPA documentation and are central to Oxfam improving its reporting. Evidence in the country reports and the interviews at Oxfam House suggest that the staff teams understand and use the improved systems on a regular basis, which is an important element of having effective and well-trained staff.⁸⁹

Counterfactual: no unrestricted or flexible funding such as PPA

Considering the counterfactual can help to determine whether the organisation is clear on the difference that it is able to make with the funding available to it: what would happen if there was no unrestricted funding?⁹⁰

The IPR found a clear link between a lack of flexible funding such as PPA and Oxfam's ability to develop and deliver innovative programming and maintain or continue activities between tranches of restricted funding. Continuity and an ability to react quickly are hindered by having less funding.

While for some interviewees this question was a challenge, others were clear on the impact: less innovation, less independence, less flexibility.⁹¹

⁸⁵ Interviews with Patricia Parsitau, Urban Coordinator, Nairobi, August 2012; interview with Nigel Tricks, Country Director, Nairobi, August 2012

⁸⁶ Interview with Programme Co-ordinators, Harare 9 August 2012

⁸⁷ Ibid

⁸⁸ Ibid

⁸⁹ Brady, R, Looking for Value, PPA Interim Progress Report Country Visit to Zimbabwe, August 2012; Rowley, J, Independent Progress Review of the General PPA, Oxfam GB, Country Visit to Kenya, September 2012; Tayyab, M, The Independent Progress Review of the Oxfam GB General Programme Partnership Arrangement, Pakistan Country Visit, September 2012

⁹⁰ This is also a key question when considering value for money: does the organisation know what would happen if they did not deliver the activity?

Staff were generally clear that reductions in unrestricted funding (principally they were asked about an end to PPA funding) would lead to reductions in M&E work and in learning and other activities which protect active programme work on reducing poverty.⁹²

In interviews, programme staff particularly picked up on the impact a lack of unrestricted or flexible funding such as the PPA would have on programme continuity. Flexible funding is crucial to providing a gap between restricted funds, allowing programmes to continue rather than be wound down and then started up again – a process that would reduce the impact of the programme over the longer term as both beneficiaries and the staff team would have to be re-recruited to the programme.⁹³

In summary, it is clear that flexible funding such as the PPA is an important element that enables Oxfam to remain responsive and innovative in its interventions. Losing such funding would slow down and interrupt programme delivery and affect the organisational effectiveness we described in section 3.3.

Expectations for the end of the PPA funding period

At the beginning of this section we discussed the importance for DFID to consider what impacts it would expect to see at the end of the PPA funding period. Based on this review the key areas that impact should be visible in, alongside the agreed logframe, would be:

1. Improved reporting and use of evidence due to complete integration of the Global Performance Framework and its processes into the organisation;
2. Impact of increased use of innovation and flexibility in programming in response to beneficiary need;
3. Increased impact on partnerships and other NGOs within the international development sector due to better tracking of shared learning and work in consortia and partnerships; and
4. Impact of internal training programmes on the skills and quality of staff deployed in country teams

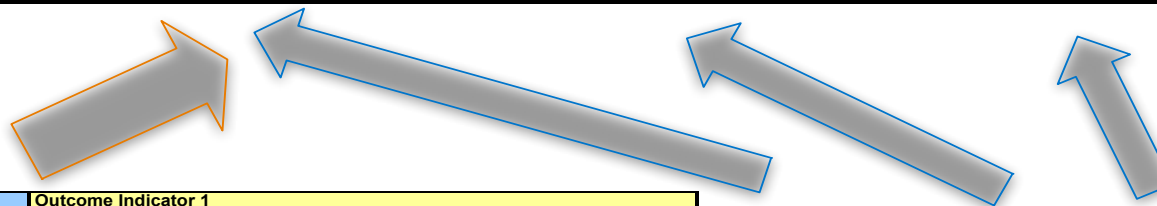
⁹¹ Interview with Dr Tsitsi M Choruma, Oxfam GB, Harare, 6 August 2012

⁹² For example interviews with Head of International Finance 28 June and Joost Van De Lest 17 July.

⁹³ Ibid; Interview with Programme Co-ordinators, Harare 9 August 2012

IMPACT		
To contribute to the alleviation of poverty and suffering in general and the achievement of several of the Millennium Development Goals in particular		
Impact Indicator 1	Impact Indicator 2	Impact Indicator 3
Proportion of population below \$1.25 purchasing power parity (PPP) per day	Proportion of population that is undernourished	Proportion of global population without sustainable access to safe drinking water and basic sanitation

Existing PPA Logframe measuring programme outcomes



Suggested Key Areas identified in the IPR that could be tracked and will also have an effect on the impact indicators

OUTCOME	Outcome Indicator 1
1. Increased proportion of people receive critical life sustaining humanitarian support from responses meeting established standards of excellence.	Humanitarian Support: Degree to which humanitarian responses meet recognised quality standards for humanitarian programming (e.g. Sphere guidelines).
2. Ability of supported households to minimise risks from shocks and adapt to emerging trends & uncertainty significantly improved.	Outcome Indicator 2 Adaptation & Risk: % of supported households demonstrating greater ability to minimise risk from shocks and adapt to emerging trends & uncertainty.
3. Income levels of supported households significantly increased.	Outcome Indicator 3 Livelihoods: % of supported households demonstrating greater income, as measured by daily consumption and expenditure per capita.
4. Supported women demonstrate significantly greater involvement in household decision-making and influencing affairs at the community level.	Outcome Indicator 4 Women's Empowerment: % of supported women demonstrating greater involvement in household decision-making and influencing affairs at the community level
5. Evidenced and substantive contributions made towards changing the practices of targeted state institutions and other actors, so they are in better alignment with the demands of supported citizens/ CBOs/CSOs.	Outcome Indicator 5 Citizen's Voice: Degree to which selected interventions have contributed to affecting outcome change, as generated from findings of rigorous qualitative evaluations.
6. Evidenced and substantive contributions made towards affecting pro-poor policy change.	Outcome Indicator 6 Policy Influencing: Degree to which selected interventions have contributed to affecting outcome change, as generated from findings of rigorous qualitative evaluations.

OUTCOMES	INDICATORS
Improved reporting and use of evidence	Degree to which the Global Performance Framework and its processes are integrated into the organization
Impact of increased use of innovation and flexibility in programming in response to beneficiary need	% of new/innovative projects that can flexibly adapt to beneficiary needs during the project
Increased impact on partnerships and other NGOs within the International Development sector	Degree to which shared learning and work in consortia and partnerships is tracked and evaluated
Impact of internal training programmes on the skills and quality of staff deployed in country teams	% increase in skill and capacity of country offices on the South

Table 14: Measuring key areas where impact should be visible alongside the agreed logframe

The table above illustrates that measuring these key areas highlighted in this review will contribute to all three impact indicators in the PPA logframe.

It is important to note that these key areas are not the same as what is reported on in Oxfam's logframe, which had been adjusted once already and is likely to be adjusted in the future due to the success of Oxfam in reaching its targets. These measurements are directly related to findings in this report and areas that required reporting under this report format.

We believe that these four areas are important markers for the effectiveness of flexible funding such as PPA.

3.5.2 Value for money assessment of PPA funding

This section considers the extent to which the way that Oxfam has used PPA funding represents value for money.

PPA makes up 12% of the unrestricted funding available for international development within Oxfam. This is an important and strategic contribution when considering the breadth and depth of activity already described in this report as relying on such funding.

This assessment has taken account of two areas:

1. The impact on Oxfam of this funding; and
2. The impact Oxfam has been able to generate as a result of this funding

Earlier (section 3.4.1) we discussed the value for money generated by Oxfam's use of unrestricted and flexible funding such as PPA within its own systems according to the measure of value for money that Oxfam uses internally (the '4Es').

In its Year 1 Annual Review, Oxfam noted under the value for money section that part of its response to value for money was to invest in new systems such as HELIOS and the GPF.⁹⁴ These systems have already demonstrated to be central to generating increased economies and efficiencies and although each has had an initial cost outlay to implement the system, the value has already been driven through the organisation in terms of efficiency savings and improved working processes⁹⁵.

The success of the GPF in its first year as demonstrated in section 3.1.1 highlights the system's potential to continue to generate value for Oxfam through improved data collection methods that improve its accountability, reporting, transparency and communication. These factors are important to other donors when considering funding or investing in Oxfam. Or indeed when partner organisations that have benefitted from support from Oxfam are approaching other donors.⁹⁶

Oxfam's commitment to integrating value for money into its systems for evidence gathering⁹⁷ will ensure that the final element of the '4Es' approach that Oxfam employs⁹⁸ will fall into place.

The value for money of this PPA funding will increase the longer these systems are used and the better Oxfam gets at using them.

The other aspect to consider is the value that Oxfam has been able to generate within the areas and sectors that it works with the PPA funding. Oxfam's use of innovation and flexibility in its programming and its commitment to work in partnerships across all its activities and the impact of this approach have been discussed throughout this report. We demonstrated in section 3.5.2 that Oxfam does generate value for its beneficiaries even though reporting on

⁹⁴ Oxfam GB General PPA Annual Review, May 2012, pages 24 - 25

⁹⁵ Brady, R, Looking for Value, PPA Interim Progress Report Country Visit to Zimbabwe, August 2012; Rowley, J, Independent Progress Review of the General PPA, Oxfam GB, Country Visit to Kenya, September 2012; see also section 3.4.1

⁹⁶ See section 3.3.4 and section 3.5.1

⁹⁷ See section 3.4.1

⁹⁸ See section 3.4.1

this is not yet integrated. The Year 1 Annual Review (which this report has demonstrated reflected accurately Oxfam’s performance over the period) also highlighted the programmatic benefits that taking this approach yields⁹⁹ and the benefits that both communities and partners yield as a result.

It is the ‘softer’, and sometimes unintended benefits, of improved capacity, shared learning and Oxfam’s ability to lead in the sector that are some of the ways that it generates value as a result of having access to flexible funding such as PPA.

This is an important way in which Oxfam’s activities contribute to meeting DFID’s business case theory of change:

DFID THEORY OF CHANGE		OXFAM ACTIVITY
OUTCOMES		
Results Enhanced delivery of results which provide value for money	□	In addition to delivering planned interventions, Oxfam also increases capacity of its partners and shares learning
Learning Enhanced generation and use of evidence to improve programming	□	Implementing the GPF and processes has increased the quality of evidence being generated that is fed into strategic decisions
Leadership Mainstreaming sector best policy and practice (e.g. gender, disability, tools)	□	Oxfam is viewed as having a key role in civil society and contributing through leading consortia, sharing learning and models for working.
Shaping the Sector DFID funding has multiplier effect on grantees overall targeting and geography	□	Flexible funding allows Oxfam to innovate and respond appropriately to challenging country contexts.

Table 15: matching Oxfam activity to the results section of the DfID Business Case Theory of Change

In summary, this IPR suggests that Oxfam’s use of PPA as flexible funding alongside more traditional unrestricted funding does represent value for money as it has allowed the organisation to push ahead with significant systems improvements that are addressing efficiencies, economies, evidence gathering and reporting; and to provide beneficiaries with programmes they value and partnerships that enhance the partner NGOs.

⁹⁹ Oxfam GB General PPA Annual Review, May 2012, pages 9 – 22; Oxfam GB General PPA Annual Review Part G – Changing Lives Case Studies, Oxfam GB, May 2012

4 Conclusions

4.1 Summary of achievements against evaluation criteria

Achievements against objectives

OGB has developed a Global Performance Framework to assess its progress towards six global outcomes that cover the major elements of its work. The IPR is confident that the progress towards these objectives described in the APR is reliable.

Verification

The IPR confidence in these achievements comes from verifying specific claims in the annual reporting through the country visits (eg the humanitarian work in the 2011 Horn of Africa Drought response which features in the Additionality report and the Zimbabwe livelihoods project and the Pakistan risk reduction and livelihoods project which have been the subject of an Effectiveness Review and feature prominently in the APR;) and because we have been able to observe the presence and functioning of strategic and operational procedures that are sufficiently robust to deliver similar achievements. And because we have observed projects that are producing or have produced results similar to those described in the APR.

Responses to feedback from DFID

The IPR finds that Oxfam has responded in a satisfactory manner to the feedback in terms of revising milestones and making other changes to an updated logframe. Oxfam has made more modifications than those required by DFID. Oxfam has adequately defended its use of evidence from humanitarian work in the Additionality Report. Oxfam has not explicitly responded to the observations of inadequate reporting of its contributions to learning. The IPR provides evidence of many significant contributions made by Oxfam to learning in the sector confirming the DFID observation of underreporting or misreporting.

Impact

The Oxfam approach of considering the PPA to be genuinely flexible and assigning funding against high level aims creates a methodological problem with assessing “*achievements against objectives*”. The PPA logframe describes the use of other funding beyond the PPA grant and some work supported by PPA funding; for example, improving M&E is not described in the PPA logframe. This is an unusual situation for an evaluation and has required assumptions about the theories of change of some initiatives as well as assumptions about the attribution of impacts to the use of PPA funds. As reported above, the IPR concludes that the highly significant impacts reported in the APR against the six thematic areas can be considered to be verified or largely supported by the evidence collected.

A key element of the verification of impacts are the effectiveness reviews and the IPR review. The early stages of these Reviews suggest that they will provide important learning on the impact of Oxfam's work and on how to assess impact in different situations. The objective of collecting better evidence is likely to be met and will help many agencies in the sector. Currently the effectiveness reviews have not helped Oxfam programme management staff as much as they could due to gaps in the implementation of reviews and feedback and learning work with the programme management teams.

Value for money of PPA

The IPR concludes that Oxfam provides good value for money in its approach to managing the economy, efficiency and cost-effectiveness of its work. The IPR also concludes that the PPA represents good value for money in terms of an investment by DFID because the objective of increasing Oxfam's capacity that is described in the business case for the Oxfam PPA is found to be adequately verified. In addition, the IPR finds evidence of a 'PPA effect' in which the relationship between Oxfam and DFID, and the overlap between the aims of the two organisations, adds to the impact of the PPA funding and creates an overall greater impact. For example; the shared aim of gathering better evidence leads Oxfam to invest not only PPA funds but other funds in improving its work in this area and in sharing the learning within the sector. For example; the shared aim of reducing suffering leads Oxfam to spend significant sums of unrestricted funds on humanitarian work during the time it takes DFID funding to arrive.

Contributions to DFID theory of change

OGB's most significant contribution to the Theory of Change may be in the outcome "*Learning = Enhanced generation and use of evidence to improve programming*" through its work on effectiveness reviews. These initiatives test rigorous impact assessment methods, which may yield high quality evidence on a range of development initiatives.

Oxfam GB makes important contributions under "*Leadership = mainstreaming sector best policy...*" in the programmes we have seen in cash transfers, humanitarian emergency work, WASH and resilience. In these areas the expertise of Oxfam is sought out by other actors.

We have reported a number of instances in which unrestricted funds have been used by Oxfam to generate additional funds with a large multiplier effect.

We have reported on significant impact in reduced suffering in the 2011 Horn of Africa drought response greatly relying on the use of unrestricted funding to act quickly and to bridge gaps in emergency funding to ensure continuity of activities.

We have described examples of innovations being scaled up (eg in small-stock raising projects) and on CSOs holding government to account as a result of Oxfam's work supported by unrestricted funds.

The overlap between Oxfam's work and the DFID Theory of Change is very considerable and the contributions pointed out here are only a sample.

Validity of assumptions underpinning Oxfam's implementation management and partnership arrangements

There is one assumption in the PPA logframe for each outcome, which is broad enough to be valid and probably only exclude rare circumstances that may hinder achievements.

Partnership arrangements are based on a long history of practice and a recent formulation of six principles underpinning much of Oxfam's work in a valid way. Effective partnership working requires additional staff time and resources and is paid for in most cases from unrestricted funds including PPA.

4.2 Summary of achievements against rationale for PPA funding

Impact attributable to DFID funding

The impact on Oxfam's capacity strengthening in M&E and learning is greater than the simple value of the funding. Oxfam has worked on improving its MEL capacity for some time but achieving better evidence and clarity about results has been supported by DFID funding and leadership in thinking in the international development sector in the UK. The 'PPA effect' describes the way in which a recipient of PPA funds contributes more of its own funds to an aim shared by the agency and by DFID. In the case of "*enhanced generation and use of evidence*" described in the DFID Theory of Change, the PPA effect has had a significant impact on Oxfam's increased commitment to this aim and of significant additional investments from its own unrestricted funds.

Validity of assumptions underpinning rationale for uses of PPA funding

The management of the PPA as genuinely flexible is based on the assumption that the funds are used with discretion and accounted for in terms of the progress of the entire organisation. The rationale for the uses of the PPA funding is based on Oxfam's overall systems for allocating funds to its own organisational effectiveness and programme work. The assumptions relevant to the PPA funding are those in the Global Performance Framework. The framework consists of six outputs leading to an outcome and assumptions associated with each of the twelve statements. The assumptions are clearly stated and highly valid. Part of the validity comes from the fact that the outcomes and outputs are clearly drafted and cover standard areas of international development work.

The IPR is not able to comment on all the assumptions in the PPA rationale as described in the business case but gathered evidence of the validity of the assumptions of:

- **tenure**; the trust and authority Oxfam has built up in countries where they work;
- the quality of **partnerships** that Oxfam has with key players;
- Oxfam's ability to be '**fleet of foot**' in a changing world,
- to input to **learning** in the sector,
- to **innovate**, and
- to build **new development partnerships**.

The overall assumption Oxfam made about treating PPA funds as entirely flexible was valid and the funds added to Oxfam's capacity in the six areas of impact in the Global Performance Framework and in the areas of learning, flexibility, innovation, partnerships and leverage of funds as described above. The difficulties encountered in describing the results of this approach may encourage different reporting arrangements although the overall approach to treating flexible funds as genuinely flexible remains valid.

The additional conclusion in the Business Case description of the counterfactual, that "*the learning dialogue between DFID and the UK NGO sector would be significantly impoverished and the combined impact on poverty proportionately reduced without the PPA*"¹⁰⁰ even at this early stage is supported by the IPR evidence.

4.3 Summary of problems and issues encountered

The main issue encountered has been the difficulties of attribution of PPA funding to specific investments in improved organisational effectiveness or in funding specific programme work. We have addressed this by assuming that the PPA funds are part of all flexible funding and assessed a very wide range of activities and projects that have been supported by such funds. The range of different uses of unrestricted funds has made the IPR very broad. Based on the assumption that PPA funds form a part of all unrestricted funding in the International Development division, we have collected sufficient evidence of positive impacts of unrestricted funds that we are able to build a positive case for the use of the PPA. However, it is not possible to track the funds to particular impacts.

The IPR has been constrained by the evaluation and reporting schemes that are over-elaborate for an early mid-term review and fragmented the report's narrative. We have addressed this by complying with the schemes and providing a report that while, in our view, is repetitive it is also comprehensive.

4.4 Overall impact and value for money of PPA funded activities

The IPR accepts the need to assess impact but cautions that in many cases it is very early to be looking for more than the first signs. It is also the case with the Oxfam PPA that impact can be looked for both on the functioning of the organisation and on the effectiveness of its project work.

The main impacts achieved as a result of receiving PPA funds are these:

Achievements at output level in all six themes in the Global Performance Framework as reported in the logframe and APR. Achievements exceed the Year 1 milestones in most cases. In addition, there are achievements at outcome level. The IPR is confident in confirming the observations in the APR that livelihoods have been improved and suffering has been reduced.

Humanitarian responses enhanced and accelerated: humanitarian responses in Kenya, Somalia and Pakistan have been examined and the evidence of the effectiveness of unrestricted funding is found to be overwhelming. Maintaining a standing capacity to respond quickly and using funds to pre-finance and bridge gaps in emergency funding have had important impacts on reducing suffering for hundreds of thousands of people. The IPR gives particular mention to this Outcome because it is able to identify impacts at this early stage of the PPA grant period.

¹⁰⁰ibid, emphasis as original

Improved gathering of evidence through the effectiveness reviews: the evidence that has been collected in the first 15 months of operations is largely considered to be valid and useful by country office teams. The full value will be realised when the full sequence has been completed and overall assessments of performance can be made.

Robust methods for assessing impact have been tested: this is a corollary of the previous point but is significantly different since the learning around what the different methods can deliver and how best they can be made to work will be of value to a large number of actors in international development.

Culture moves in approach to assessment of results and performance: the Oxfam culture was already committed to the assessment of results but the PPA effect has added drive and funds to this movement. The spending on additional MEL staff is an indicator of the long term investment in results-based management.

Improved sharing of learning with others: the use of unrestricted funds has provided staff with the resources and time to be involved in a wide range of partnership, consortium and learning group activities in which ideas and information from Oxfam experience has been shared.

Leveraging additional funding has taken place at country and central levels. The use of unrestricted funding in the Programme Funding Team has generated additional funds at a ratio of over 70:1.

Oxfam has been able to act as **convener, chair, co-ordinator and champion** in a wider range of initiatives including humanitarian emergencies because of its access to unrestricted funds and its status in countries where it has a significant presence.

Oxfam has improved its **accountability and transparency** through activities leading to obtaining and retaining IATI conformity. Oxfam was already moving in this direction but the PPA effect and contract have sealed the moves which enhance the value of Oxfam's work. Learning from this process is being shared in the sector.

Oxfam delivers well in terms of VFM on the three Es: Economy, Efficiency and Effectiveness. The IPR has been able to gather evidence of competencies in assessing cost drivers and collect and compare information on costs and benefits. Oxfam has systems for allocating funds to different areas and causes (eg to work in fragile states where unit costs are high) that involve assessments of value for money, although they are not usually described by the phrase.

Oxfam indicated that its response to the value for money agenda highlighted in the Year 1 Annual Review was centred around developing systems and processes that would deliver greater economies, efficiencies and effectiveness (three of the '4Es' Approach). Oxfam introduced and improved such systems to deliver greater economies and efficiencies within the organisation and worked hard to increase the effectiveness of its MEL systems, process and reporting to provide better data with which to take future strategic decisions that will enhance programme effectiveness.

Given that equity still must be addressed within its value for money model, Oxfam's approach and use of innovation and flexibility also leads to 'softer', and sometimes unintended benefits, (improved capacity, shared learning and Oxfam's ability to lead in the sector) is an important way in which Oxfam's activities contribute to meeting DFID's business case theory of change.

5 Utility

This report is intended for use by Oxfam GB and by DFID in assessing progress to date against the logframe agreed under the PPA between DFID and Oxfam.

In addition, this report is also for use by Oxfam as a way of checking its own progress in developing new systems and further refining its business model. Other non-PPA-related recommendations have been made in order to provide additional value to the process for Oxfam.

The evaluators have undertaken the following steps to ensure that the report will be useful to stakeholders within the organisation:

1. Worked collaboratively with Oxfam to agree any additional areas of consideration for this review outside of what is required by DFID;
2. Provided feedback and discussion sessions with the country offices who participated in the review process, making recommendations or learning points for each country;
3. At least one country office has considered the findings from the initial feedback session and been able to analyse the findings from the country report to better understand the results shown¹⁰¹;
4. Provided an initial feedback session for the commissioning staff at Oxfam House in Oxford;
5. Oxfam is committed to publishing this report as part of its open information policy and it will be publicly available on its website.

6 Lessons learned

6.1 Policy level

Oxfam must continuously bear in mind the ongoing shifts in policy priorities and constantly changing environments that the organisation works in. It takes time to influence and change policy and not all influencing activity results in the aimed-for success. The small-*n* process tracing effectiveness reviews highlighted some of the difficulties with measuring this activity effectively.

There is an apparent tension between the current results-based and value for money assessment of impact achieved, measuring policy and advocacy activities as to which more appropriately demonstrates their effectiveness.

Effective measurement and evaluation may mean using different timeframes to what most donors will be comfortable with. It may also mean greater innovation or a departure from traditional models. It is clear from interviews and country visits that to continue to achieve its aims and objectives, Oxfam has to increase its innovative and flexible responses to country environments.

Using PPA funding flexibly is therefore important to ascertain whether funding organisations such as Oxfam is appropriate and has a bigger impact on issues (eg measuring advocacy, campaigning, or innovating within programme design) than directly funding programmes.

6.2 Sector level

Oxfam works in a number of different sectors and aims to do so equally well. Oxfam's presence is genuinely seen as a good thing by other NGOs and its added value lies partly in its skilled staff. Oxfam's reputation for delivering on the ground has been evidenced in section 3.3.4 in which its reputation is maintained by having skilled staff and maintaining robust systems.

¹⁰¹ The Zimbabwe Country Office considered the finding from the project visit to the Ruti Irrigation Scheme that the community appeared not to value the extensive WASH activity that had been taking place. The country office concluded that in areas where food insecurity is rampant, communities almost always prioritise food security goals to any other. In addition they noted that the community's acknowledgment of low prevalence of WASH related diseases could be used as meaning they appreciate WASH even if they did not say as much out loud.

At the sector level, Oxfam is often in a leadership position within consortia and networks. Sharing learning and models of working is important and other NGOs tend to ask or sometimes appear to demand that Oxfam does more within the country where it operates. Such interactions are clearly valued by other NGOs in conjunction with the capacity building that can accompany an Oxfam partnership.

It is clear that having the time and opportunity to invest in staff, systems and membership of various consortia and networks is important and not always possible without unrestricted or flexible funding such as PPA.

6.3 PPA fund level

This review comes almost 15 months after Oxfam's PPA award. While it is entirely appropriate that regular reviews are undertaken during the award period, and Oxfam has already demonstrated that its performance against the logframe was significantly up on where it had planned to be, we remain of the opinion that it is difficult to measure impact so early on in a programme and that the kind of impact that can demonstrate that real value has been created for communities is only really evident later on in the programme cycle or even beyond the life of the intervention.

Oxfam's use of effectiveness reviews to test methods for obtaining more rigorous assessments of impact should be applauded. We have suggested that more needs to be done to confirm the results of the reviews and to exchange learning with programme management teams. This work offers potential to assess impact in ways and at times that are not normally possible in project management. The assessment of impact sometime after project work has ended may be unique and could provide useful learning to DIFD in designing evaluations at the end of the PPA period.

As highlighted under section 3.5.1 it has been the 'softer' less well-measured elements of activity that have benefitted the most from flexible funding like PPA. These elements have appeared to have been significant contributors to programme success during the period under review. Being able to fund and track these activities is part of improving overall organisational effectiveness and these elements may form a greater part of any future review of PPA to underline the importance of flexible funding to the development of robust organisations that can go on to have significant impact on DFID's theories of change. It may be beneficial for Oxfam and DFID to explore options for including a useful internal objective for the end of the PPA period that better reflects the activity that has most benefitted from access to this flexible funding.

6.4 Organisational level – management, design, implementation

Oxfam's approach to PPA as flexible funding has allowed them to develop their global performance framework and effectiveness review processes. The framework and its processes have highlighted the challenges and rewards for a large international NGO attempting to measure its global impact.

However interestingly, by approaching PPA as flexible funding and having to report on those activities that get funded from unrestricted and flexible funds such as PPA, Oxfam has realised that it is sometimes a good thing to be able to track the activities that usually do not get tracked or evaluated internally such as learning, systems, capacity building and MEAL.

This is an important learning, as even though most organisations are used to financially accounting for these activities as part of full cost recovery budgets or allocated overheads, understanding the true contribution these activities can make is sometimes not considered.

We have made a recommendation that Oxfam should consider tracking its PPA spend internally by looking at other business models such as internal charging. Whilst this is obviously a way for the organisation to maintain its flexibility whilst still reporting on activity, implementing such systems may result in a permanent change to how Oxfam views such internal activities.

7 Recommendations

We have developed recommendations that are relevant to the use of PPA in Oxfam and recommendations that are of more general relevance to Oxfam from what we have observed during our review period.

PPA Specific

1. **Oxfam should consider ways of better tracking PPA spend internally.** However, this should be achieved without damaging or limiting innovation within the organisation and maintaining the flexible nature of the funding. It may be appropriate to consider transferring principles and processes from other sectors, such as an internal charging model from the private sector. Monitoring time spent on different types of support work and project work could provide insight into the attribution of the costs of some staff posts. There are many models and one could be tested in an office or a management line. Additionally, it may be worth considering how appropriate it would be to introduce the process of narrative synthesis for tracking 'softer' activities and building this into OPAL.
2. The Global Performance Framework is innovative and clearly has an impact on Oxfam's ability to track and report on its activities. However, **Oxfam should consider doing more to broaden the management and country-level staff ownership of the Global Performance Framework and its processes.** Currently the Framework and its processes are seen as driven by a few people within Oxfam House and although the effectiveness review processes and reports have been well received, broader ownership could help to improve reporting and process development. This IPR recognises that efforts are being made on this issue.
3. **Oxfam should review the effectiveness reviews process being used in determining effectiveness and impact of its programmes as part of the Global Performance Framework.** Oxfam should be more careful when selecting projects for the effectiveness reviews by ensuring that they have reached a sufficient level of maturity in order for their potential impacts to have manifested. The opportunity to use effectiveness reviews to carry out late evaluations of projects where impact might be better observed sometime after a project has closed should be seized where appropriate.
 - a. Doing impact evaluation on this scale within an organisation is new and to be applauded. However, impact normally takes some time to manifest and it may be more appropriate to consider **doing impact evaluations further in time from the completion of the programme in order to properly measure impact.**
 - b. Additionally it may be that **a different methodology is more appropriate to measuring effectiveness (not impact) at the point that the programme ends,** when impact is less likely to be fully measurable.
 - c. Finally we recommend that Oxfam **increases the level of engagement with country management during the effectiveness review process.** Different levels of awareness have been observed and reported during the survey and all countries have reported a positive experience of the effectiveness review process. This could be improved however, by greater participation in the process by the country management teams, rather than introducing a new team or consultant for the duration of the review. This would also help to increase capacity further in the South.

General

4. **Oxfam should consider ways of tracking the impact of its learning within the sector.** Oxfam's learning and experience is already shared and valued, but the effect of sharing this learning with civil society is not fully measured outside of project partnerships. Increasing monitoring of how shared learning is being used should highlight the difference that Oxfam's learning is making to those CSOs that take and use this resource. This could include surveys of users of the web-based materials and interviews with samples of people in the sector on their sources of learning and information.
5. **Oxfam should consider introducing a programme of work specifically around capacity building partner organisations.** Capacity building is not always the reason behind a partnership being developed, but it does affect the quality of the partnership. A

dedicated capacity building programme would also increase capacity in the South and broaden Oxfam's options for suitable partners to develop effective interventions with.

6. Innovation and flexibility are key to Oxfam's model. A competitive approach applies to allocations at regional level from the Buffer and Innovations Fund. It is not clear that the best possible learning is extracted from the use of the grants in innovative initiatives. **Oxfam should consider whether it is possible and desirable for countries that are implementing SMS to have access to develop unrestricted funds that remain in-country.** This, alongside the current financial settlement, would enable country programmes to be more flexible, innovative and responsive to their context so that all Oxfam supported initiatives could have access to unrestricted funds for innovative work.

Recommendations for DFID

7. **DFID should consider what impacts it would expect to see at the end of the PPA funding period.** This review has highlighted that although the measurable outcomes on the logframe are taking place, this is only half the story and there are significant activities linked to PPA that are doing more to affect organisational effectiveness and value for money than are being recorded on the logframe
8. PPA funds have been used to improve internal capacities and to improve impact on high level aims in poverty reduction. DFID should be clear on the reporting it will require on these different uses at the end of the PPA period and provide clear guidance and a simple reporting structure as soon as possible in order to provide PPA holders with time to modify their M&E methods where necessary.

8 Annexes

A. PPA IPR terms of reference

B. Evaluation research schedule and timescales

C. Data collection tools

D. List of people consulted

E. List of data sources

F. Bibliography

G. Sub-reports of country visits and case studies

H. Details of the evaluation team

I. PPA organisation's management response to report findings

J. Evaluation managers' response to report findings

K. Objective assessment of Oxfam's effectiveness