



Management response to the Independent Progress Review of the 2011-14 Partnership Programme Arrangement between Oxfam GB and DFID

Oxfam gratefully acknowledge receipt of the report of the independent mid-term progress review of our general PPA, conducted by ITAD and Ipsos MORI.

We are delighted that the review team has been able to verify the results contained in our Year 1 Annual Review. In the process, ITAD and Ipsos MORI have given us very useful feedback on the systems we have developed to generate our data. Oxfam's Global Performance Framework, on which our PPA reporting framework is based, represents a step change in the way Oxfam shows the impact of its work on the lives of poor and vulnerable people. While we are always looking for ways to improve the way we demonstrate impact, we are pleased to note the IPR teams' judgement that we are making significant and compelling progress on this front.

There is a clear challenge to us to better demonstrate the impact of learning from our programmes on the wider development sector. Oxfam is investing in a suite of learning and transparency initiatives aimed putting evidence of both our successes and failures to good use. For instance, as the report highlights, Oxfam's policy and practice website offers free access to over 3,000 Oxfam publications, including all of its Effectiveness Reviews and comprehensive data-set of programme information, published in line with the standards of the International Aid Transparency Initiative.

The review highlights the vital role that PPA funding plays in supporting innovation in Oxfam. Without flexible, strategic financing, our ability to leverage change through innovating, replicating and communicating effective approaches to humanitarian and development challenges would be significantly curtailed. We recognise that we need to do more to draw a plausible tangible link between the PPA and our capacity to innovate. We will be working to strengthen this link in the final two years of funding.

The report also highlights Oxfam's ongoing commitment to ensuring value for money at all levels. Oxfam will continue over the coming period to make strategic use of flexible funds to deliver enhanced programme performance measurement, better project management systems, more strategic procurement of goods and services, and better financial management.

In addition to these more general observations, we have the following responses to the review team's specific recommendations:

Recommendation	Response
<p>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.</p>	<p>Oxfam accepts the basic premise of this recommendation, and believes this can be achieved without limiting the benefit of flexible strategic financing.</p> <p>The challenge for Oxfam is demonstrating more consistently the impact of PPA funding on key aspects of the organisation's work in areas such as innovation, monitoring and evaluation, sector learning, transparency, fund leverage, and partnerships.</p> <p>Oxfam is exploring options for more systematic internal allocation, monitoring, and reporting of PPA funds which will enable us to build a more robust picture of the impact of strategic flexible finance in the second and third year of the PPA.</p> <p>Oxfam is continually improving its systems for managing and tracking financial resources. We employ methods and systems for internal recharging of costs, but do not currently use these to track PPA funds. At this stage of the financial year, it is not feasible for Oxfam to implement this specific recommendation for the report on the second year of the entire PPA although it may be possible to pilot one or two areas – such as innovation or humanitarian standing capacity.</p>
<p>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.</p>	<p>Oxfam is in full agreement with the need to 'broaden the management and country-level staff ownership of the GPF' as much as possible, and have already made some significant strides to do this. There is much further to go still, though. Oxfam has learnt a lot this year about how to undertake these effectiveness reviews and weak country ownership of the process has been one of the main learning's. The constraints of time, the very technical methods used (in order to ensure acceptable level of rigor) and the wide use of consultants for the reviews are obstacles to ownership. We have been trying to reduce this gap through a range of measures: by PPAT staff systematically using the opportunity of country visits to give workshops to the local office on the approach taken in the GPF; by encouraging project and MEAL staff to take part in the reviews as much as possible; and systematically providing clear feedback and discussion of results with country and regional teams. We have tried to design a management response system that encourages a considered and locally owned process of reflection on the reviews, but will need to continue to ensure that we are maximising these opportunities and getting guidance from country and regionally based colleagues. A restructure process in the Programme Performance and Accountability Team has in the past month brought in renewed resourcing to the area of learning with the formation of a MEAL Officer – Learning post. This post will join with a new strategic advisory position to think through how to improve learning opportunities from the GPF and ERs in particular at country level.</p>
<p>3. Oxfam should review the effectiveness reviews</p>	<p>Oxfam is committed to ensuring we are accountable to a wide</p>

<p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p>	<p>range of stakeholders and that we get better at understanding and communicating the effectiveness of our global portfolio comprised of over 250 programmes and 1,200 associated projects in 55 countries in a realistic, cost-effective, and credible way. The effectiveness review process is a key part of this endeavour and we welcome the suggestions to improve upon our approach.</p> <p>a. We fully acknowledge that we need to be careful when selecting projects for the effectiveness reviews. Attempting to assess impact when projects are too immature to reasonably expect them to have generated their expected effects is obviously undesirable. This could result in falsely rendering a potentially effective project ineffective. Greater efforts in the future will be undertaken to avoid carrying out impact assessments on immature projects. Undertaken impact studies further in time from project completion is, in principle, a good thing, particularly to both assess the extent project impacts have been sustained and, in some cases, allow sufficient time for potential project impacts to fully manifest. The ideal method, of course, would be to carry out impact assessments both directly after project completion and some time thereafter. However, this is not always straightforward to implement in practice. For instance, many of the effectiveness reviews are carried out on projects that target populations that are targeted by new projects upon their completion, spearheaded either by Oxfam or other organisations. Consequently, the intervention group may become “contaminated” by the new initiative, thereby, making it impossible to isolate the effects of the project. It is also desirable in many cases to carry out the effectiveness reviews on projects that have completed their first or pilot phases (as was the case in the Zimbabwe effectiveness review), so that the resulting learning can be used to maximize impact. That being said, we will continue to explore possibilities of implementing this recommendation in selective and appropriate cases. The effectiveness review carried out in the Democratic Republic of Congo (DRC) is a case point. Here, data collection took place over a year after the project was completed.</p> <p>b. While some make a distinction between effectiveness and impact, there is no universal agreement. The International Initiative for Impact Evaluation (3ie), for instance, views the two terms as synonymous -- a project's effect is its impact, i.e. what participants gain from the participating in or being reached by the project. The Development Assistance Committee (DAC) defines effectiveness as: "The extent to which the development intervention's objectives were achieved, or are expected to be achieved, taking into account their relative importance." Given this, how the effectiveness of a project is assessed would depend on its</p>
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	<p>objectives. If the objectives relate, for example, to developmental change, then effectiveness and impact mean the same thing. We are, therefore, unclear what distinction between effectiveness and impact is being made. What, for example, would an effectiveness review look like that examined effectiveness but not impact?</p> <p>For Oxfam GB, we use the term effectiveness more broadly. The effectiveness reviews, in particular, is a catchall term for various streams of evaluation work that the organisation is pursuing as part of its Global Performance Framework. This includes the “small n”, “large n”, and humanitarian reviews, as well as our upcoming accountability work. Some of this work seeks to identify project impacts, while the other work is focused on programme delivery.</p> <p>That being said, we fully support the recommendation that we should not attempt to assess a project’s impact when it too early, as explained above.</p> <p>c. Oxfam fully accepts the recommendation to increase the level of engagement with country management during the effectiveness review process and is committed to thinking through how we could formalise the process/expectation of our engagement in country further. We aim to draw on learning from other internal evaluation processes, for example Oxfam’s Real Time Evaluation process has clear articulation of country engagement, the roles of the country Director and senior management team involvement. Through greater awareness and engagement of country management we would expect greater engagement with, learning from and uptake of findings from the effectiveness review process.</p>
<p>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.</p>	<p>Oxfam appreciates the recognition of the contribution we are making to learning within the sector. We are as an organisation fully committed to ensuring that we learn from and contribute to sector wider advancement and experience sharing and continuously strive to engage actively in external learning initiatives. We appreciate that our contribution to the sector is often highly sought-after and valued and yet unmeasured. To date we only assess level of use to demonstrate the external appetite for Oxfam’s programme learning content e.g., downloads from the Policy and Practise website, sales of Oxfam books etc.</p> <p>We believe that the capacity and additional resources required tracking and assessing the ‘impact’ of our contribution to learning across the full range of learning products produced by Oxfam and the learning processes may prove prohibitive. However we recognise the importance of gaining a greater understanding of the influence our shared learning has and to this end we propose to undertake case studies linked to completed effectiveness reviews to seek to unpack the</p>

	influence this may have in the sector.
<p>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.</p>	<p>Oxfam accepts the basic premise of the recommendation and the principle that capacity building can indeed positively impact the quality of partnership itself. Oxfam is committed to the principles of partnership and commits to thinking through our approach to capacity development of partners. For instance we are just starting on a piece of work 'Taking Humanitarian Partnerships Forward' which is about the capacity (technical and other) of our partners, but it is also to do with our own culture of practice, so the initiative will address both elements. Some issues will be unique to our humanitarian work, but many will be much broader about the way we work with partners in general so the work will be closely coordinated with the Programme Performance and Accountability Team and the Deputy international Director.</p>
<p>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.</p>	<p>Oxfam does not currently raise unrestricted funds at country level except through indirect cost recovery on restricted funding grants. These funds are recovered through grants, repatriated back to the UK, and then reallocated as unrestricted funds for use in programmes around the world.</p> <p>Oxfam currently has a policy of deliberately not seeking funds – restricted or unrestricted - from sources in OECD DAC recipient countries. Part of the rationale for this policy is to avoid creating competition for scarce resources between Oxfam and local civil society organisations.</p> <p>Oxfam does not currently invest in raising unrestricted funds at country level because of the prohibitive costs involved and comparatively low return on investment.</p> <p>Oxfam International is currently scoping opportunities for strategic but limited investment in resource mobilisation in countries where no affiliates operate.</p>

Finally, we would like to point out that this report does not capture - through no fault of the team –the valuable learning that has emerged over the course of the IPR team's work with our staff in the UK and around the world. For Oxfam, the evaluation process has been as valuable as the product. In conversation with the IPR team, we have developed useful ideas and approaches which we hope will enable us to continue to enhance our work and to demonstrate the on-going value of the PPA to Oxfam, its beneficiaries and the UK taxpayer. We would like to thank the ITAD Ipsos MORI team for a thorough, useful and professional piece of work.

Penny Lawrence, Director of International Programmes

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