

PHA Policies + DFAT ANCP Criteria and Guidance Training Package



This training package is provided by Partner Housing Australasia, for use by its Directors, Volunteers and Partner Organisations, including Vision for Homes (PNG) and the South Ranongga Community Association (Solomon Islands).

The training package may be read on a computer screen or as hard copy, or **may be listened to** by **engaging the computer "Read Aloud" PDF reader function**.

The purpose of this training package is to explain the background and the detail of the Partner Housing Australasia policies for preventing the financing of terrorism in those countries and regions where the organisation operates. This includes ensuring that our partners and their personnel do not provide finance or support to terrorism or civil unrest.

SECTION A GOVERNANCE & RISK MANAGEMENT

Criterion A1: The ANGO has a governing body, a documented structure of responsibilities and appropriate systems to ensure accountability.

This criterion seeks to verify the ANGO's governance arrangements to establish that the ANGO's governance structure and practices ensure accountability, including to its supporters.

NB: The ACNC regulates and monitors registered charities including the existence of a governing body made up of responsible persons, a governing instrument/document and requires charities to comply with the ACNC's five Governance Standards. This information will be sourced by review teams from the ACNC website. ANGOs are responsible for ensuring that the information on the ACNC website related to their organisation is current and correct.

A1.1 Governing body documents, policies and practices ensure effective governance, and accountability to members and the public.

The governing body documents and practices should ensure that:

- The membership of the governing body reflects the skills required to fulfil its responsibilities*
- roles and responsibilities are documented*
- decision-making procedures are documented and would enable accountability, transparency and exclude conflicts of interest*
- the governing instrument outlines the election or appointment process of the governing body and this is followed.*
- the governing body is appropriately informed of the organisation's operating environment, operations and potential risks*
- regular general meetings are held and minutes recorded*
- Annual General Meetings (AGMs) are held*
- minutes of AGMs reflect all necessary compliance and regulatory requirements*
- financial statements are externally audited on an annual basis*
- financial statements are available to members and the public*
- there is a clear delineation of responsibilities between the governing body, management and staff, and volunteers.*

Partner Housing Australasia adopts a policy of ensuring the documentation reflects the following requirement, is in place and is in use.

- The membership of the governing body reflects the skills required to fulfil its responsibilities*
- roles and responsibilities are documented*
- decision-making procedures are documented and would enable accountability, transparency and exclude conflicts of interest*
- the governing instrument outlines the election or appointment process of the governing body and this is followed.*
- the governing body is appropriately informed of the organisation's operating environment, operations and potential risks*
- regular general meetings are held and minutes recorded*
- Annual General Meetings (AGMs) are held*
- minutes of AGMs reflect all necessary compliance and regulatory requirements*
- financial statements are externally audited on an annual basis*

- *financial statements are available to members and the public*
- *there is a clear delineation of responsibilities between the governing body, management and staff, and volunteers.*

In more detail,

The “Constitution, Policies & Code of Conduct” (Ref: P230101A1.1-1) is the Governing Instrument of the Organisation.

The following stand-alone” “Policies and Procedures documents form an integral part of this Governing Instrument of Partner Housing Australasia, and must be read in conjunction with this head document.

A1.1a Consolidated Policies & Procedures P230101A1.1-1

A1.2a Conflict of Interest policy & procedures P230101A1.2-1

A1.3a Gender equality and diversity policy & procedures P230101A1.3-1

A1.4a International alliance P230101A1.4

A2.1a Organisational-wide risk policy & procedures P230101A2.1-1

A2.2a HR, Professional Conduct, Training policy & procedures P230101A2.2-1

A2.3a Sexual Exploitation, Abuse, Harassment, Misconduct policy & procedures P230101A2.3-1

A2.4a Complaints Handling, Whistle Blowing, Incident Management policy & procedures P230101A2.4-1

A2.5a Safety & Security policy & procedures P230101A2.5-1

A2.6a High Risk Travel policy & procedures P230101A2.6-1

A3.1a Child Protection policy & procedures P230101A3.1-1

A3.2a Child Protection Minimum Standards policy & procedures P230101A3.2-1

A3.3a Partner Organisation Child Protection policy & procedures P230101A3.3-1

B1.1a Organisation Objectives policy & procedures P230101B1.1-1

B1.2a Development Activities policy & procedures P230101B1.2-1

B1.3a Nondevelopment Activity policy & procedures P230101B1.3-1

B1.4a Response to Past Performance policy & procedures P230101B1.4-1

B2.1a Capacity to Manage Significant Grants policy & procedures P230101B2.1-1

B2.2a Documentation of Program Management P230101B2.2-1

B2.3a Contextual Analysis policy & procedures P230101B2.3-1

B2.4a Quality Assurance and Donor Requirements policy & procedures P230101B2.4-1

B2.5a Active Risk Assessment policy & procedures P230101B2.5-1

B2.6a International Affiliates, Networks & Consortiums policy & procedures P230101B2.6-1

B3.1a Gender Equality policy & procedures P230101B3.1-1

B3.2a Disability Inclusive Practices policy & procedures P230101B3.2-1

B3.3a Environmental Impact policy & procedures P230101B3.3-1

B3.4a Displacement and Resettlement Programs policy & procedures P230101B3.4-1

B3.5a Sustainability policy & procedures P230101B3.5-1

B4.1a Program Monitoring & Evaluation policy & procedures P230101B4.1-1

B4.2a Data Collection policy & procedures P230101B4.2-1

B4.3a Evaluation of Program Effectiveness policy & procedures P230101B4.3-1

C1.1a Authority to Operate In-Country policy & procedures P230101C1.1-1

C1.2a Documented Partner Arrangements policy & procedures P230101C1.2-1

C1.3a MOUs to Reflect Donor Requirements policy & procedures P230101C1.3-1

C1.4a Commitment of Partner Organisations policy & procedures P230101C1.4-1

C2.1a Due Diligence Regarding Potential Partners policy & procedures P230101C2.1-1

C2.2a Capacity Assessment of Potential Partners policy & procedures P230101C2.2-1

C2.3a Non-development Activities of Partners policy & procedures P230101C2.3-1

C3.1a Design Considerations of Partner Capacity policy & procedures P230101C3.1-1

C3.2a Monitoring and Responding to Partner Performance policy & procedures P230101C3.2-1

C3.3a Partner Feedback and Complaints policy & procedures P230101C3.3-1

D1.1a Australian Identity and Donor Acknowledgement policy & procedures P230101D1.1-1

D2.1a Sharing of Information with Stakeholders policy & procedures P230101D2.1-1

D2.2a Consistency Between Activities and Promotional Material policy & procedures P230101D2.2-1

D2.3a Promotional Materials Reflect Respect Dignity, Values & Culture policy & procedures P230101D2.3-1

E1.1a Accounting Practices – Funding policy & procedures P230101E1.1-1

E1.2a Accounting Practices – General Ledger and Project Ledgers policy & procedures P230101E1.2-1

E1.3a Accounting Practices – Delegation policy & procedures P230101E1.3-1

E1.4a Accounting Practices – Invoice Approval & Payment Authorisation policy & procedures P230101E1.4-1

E1.5a Accounting Practices – Audited Financial Statements policy & procedures P230101E1.5-1

E1.6a Accounting Practices – Travel Approval & Record Maintenance policy & procedures P230101E1.6-1

E1.7a Accounting Practices – Overseas Transfers & Exchange policy & procedures P230101E1.7-1

E1.8a Accounting Practices – Capacity to Provide Match Funding policy & procedures P230101E1.8-1

E2.1a Accounting Practices – Expenditure Monitoring & Control policy & procedures P230101E2.1-1

E2.2a Accounting Practices – Partner Fiduciary Assessment policy & procedures P230101E2.2-1

E2.3a Accounting Practices – Partner Project Acquittals policy & procedures P230101E2.3-1

E2.4a Accounting Practices – Monitoring Partner Financial Performance policy & procedures P230101E2.4-1

E2.5a Accounting Practices – Fraud Detection & Mitigation policy & procedures P230101E2.5-1

E3.1a Accounting Practices – Financial Risk Identification & Mitigation policy & procedures P230101E3.1-1

E3.2a Accounting Practices – Financial Reporting to the Board policy & procedures P230101E3.2-1

E3.3a Accounting Practices – Financial Risk of Partner Organisations policy & procedures P230101E3.3-1

E3.4a Accounting Practices – Partner Organisation Funds Management policy & procedures P230101E3.4-1

E3.5a Accounting Practices – Foreign Currency Exchange policy & procedures P230101E3.5-1

E3.6a Accounting Practices – Insurance Policies policy & procedures P230101E3.6-1

E3.7a Accounting Practices – Fraud & Corruption policy & procedures P230101E3.7-1

E3.8a Accounting Practices – Prevention of Terrorism Financing policy & procedures P230101E3.8-1

E3.9a Accounting Practices – Terrorism Screening policy & procedures P230101E3.9-1

E3.10a Accounting Practices – Partners Preventing Terrorism Financing policy & procedures P230101E3.10-1

E3.11a Accounting Practices – Risk Assessment for Terrorism Financing policy & procedures P230101E3.11-1

A1.2 ANGO has a Conflict of Interest policy and established mechanisms to address conflict of interest.

The ANGO should have a documented policy to identify and manage potential conflicts of interest among governing body members, staff and other personnel and these mechanisms must be explicit in the governing instrument or a board-approved policy. The policy should define the term 'conflict of interest', define the scope of the policy and describe how the organisation will identify and manage any actual, potential or perceived conflicts of interest.

If the ANGO relies on the voluntary efforts of governing body members to handle any of its operations, or if multiple family members are involved in its governance and operations, there must be clear delineations of roles, role descriptions and decision-making procedures (for example, no two, family members should be bank signatories or be solely responsible for decision making). Those arrangements should be documented and approved by the governing body.

- (a) Partner Housing Members, Volunteers and Directors shall participate and offer their services on a pro-bono voluntary basis, and shall not derive any financial benefit from their involvement.
- (b) Partner Housing does not employ paid staff.
- (c) Partner Organisations do employ paid staff, consistent with the legal requirements of the country in which they operate.
- (d) Partner Housing and its Partner Organisations, including Board (governing body) Directors, Volunteers and (where applicable) Staff shall comply with the following in respect of conflict of interest.
- (e) Board (governing body) Directors, Volunteers and (if applicable) Staff shall disclose any real or perceived conflict of interest or any affiliation they have with an actual or potential supplier of goods and services, recipient of grant funds or organisation with competing or conflicting objectives.
- (f) Board (governing body) Directors, Volunteers and (if applicable) Staff shall disclose any conflict of interest during discussions and decision making, including at each Board Meeting and each Annual General Meeting. In such situations, they shall absent themselves from discussion (unless leave is granted as appropriate), and abstain from voting or otherwise participating in the decision making on an issue in which they have a conflict of interest.
- (g) Board (governing body) Directors, Volunteers and (if applicable) Staff shall disclose any material gifts or offers of gifts for their personal use and prohibits them from accepting valuable or otherwise inappropriate gifts.
- (h) Board (governing body) Directors, Volunteers and (if applicable) Staff from the same family shall not both authorise money transfers or payments, and shall not both be signatories for the bank accounts.
- (i) Board (governing body) Directors, Volunteers and (if applicable) Staff from the same family shall not both approve payments of the same invoices and shall not both approve payments for the same expenditure. This does not apply to the quarterly Board resolutions and annual AGM resolution to endorse previous expenditure, which has been previously approved through the agreed Procedures.
- (j) Board (governing body) Directors, Volunteers and (if applicable) Staff shall not participate in Partner Housing Australasia decision-making that affects in any way their commercial activity outside the organisation.

A1.3 ANGO has a gender equality and diversity policy, and the governing body ensures these principles are integrated across the organisation.

A gender equality and diversity policy commits the ANGO to promoting gender equality and diversity and to non-discrimination in regard to gender identity. This policy and its principles are expected to be applied to the organisation's governing body, human resources, and programs. Policy implementation across the organisation may be assessed through a range of evidence such as training, evidence of strategies, criteria, and considerations for ensuring gender equality and diversity in the selection of members on the governing body, non-discrimination in all HR and recruitment policies, programs and partnerships which promote gender equality and diversity.

For further guidance on Indigenous Peoples, ANGOs should refer to [DFAT's Environment and Social Safeguard Policy for the Aid Program \(January 2018\)](#) and the DFAT

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A1.4 If ANGO is a member of an international alliance or network, it can demonstrate its autonomy.

Where an ANGO is part of an international network, it must be able to demonstrate that it retains enough independence to make its own decisions and maintain accountability to its membership and the public.

1. Partner Housing Australasia is not a member of “an international alliance or network”, and is therefore autonomous.
2. Partner Housing Australasia does provide funding, governance assistance and technical assistance to certain South Pacific Community-Based Organisations (e.g., Vision for Homes in Papua New Guinea and Ranongga Community Association in Solomon Islands).
3. These Community-Based Organisations (referred to as Partner Organisations) are autonomous and independent of Partner Housing Australasia, and do not form “an international alliance or network”.
4. The program funding and operational relationships are clearly defined in Memoranda of Understanding, which are program-specific, and operate for clearly periods (usually limited to five years).

Criterion A2: The ANGO effectively manages enterprise risk

This criterion seeks to establish that the ANGO has the policies, procedures and practices required to assess, report & escalate, treat and manage enterprise risk across the whole organisation including risks relating to: staff safety and security, safeguarding, incident management, staff integrity, high risk contexts, financial viability and reputation.

A2.1 ANGO and its governing body can demonstrate the effective identification, review, rating, mitigation, reporting and escalation of organisational-wide risk.

The ANGO and its governing body should have implemented practices which ensure the regular review, identification, treatment and escalation of whole-of-organisation level risks such as those relating to staff safety and security, safeguarding, incident management, staff integrity, high risk contexts, financial viability and reputation etc. (these are different to initiative/program level risks which are addressed in B2.5).

The Board and Senior Management of Partner Housing Australasia commit¹ to –

- managing risk and links to its objectives and other policies;
- reinforcing the need to integrate risk management into the overall culture of the organization;
- leading the integration of risk management into core business activities and decision-making;
- clearly defining authorities, responsibilities and accountabilities;
- making available the necessary financial, personnel and skill resources necessary for the fulfilment of the Vision, Mission and Values;
- the equitable and expeditious resolution of conflicting objectives;
- accurate measurement and reporting of appropriate performance indicators;
- the process of audit, management review and improvement; and
- communication of these commitments to all external and internal stakeholders.

Partner Housing Australasia shall carry out an analysis of risk (including child protection and other safeguarding risks), associated with its programs, and the projects comprising those programs. Partner Housing Australasia aims to –

- Implement appropriate risk mitigation strategies for all identified risks;
- Ensure that the risk mitigation strategies maintain all risk ratings under 21, i.e., “Low”; and
- Assign the highest priority to the mitigation strategies associated with the highest risk ratings.

The risk analyses are reviewed by the Board annually, usually at the February Board Meeting.

The Procedures of this document and have a documented Risk Management Plan, consistent with ISO31000:2018 “Risk Management – Guidelines.”

The “Compliance” section of this policy document sets out the relevant risk assessments in accordance with the principles of ISO 31000.

¹ The distinction between organisational risk and active risk is recognised in the Definitions section. It is also recognised that active risks potentially threaten, not only the particular programs, but also the organisation as a whole. In the interest of thoroughness, this Policies and Procedures document reproduces in full the policies (A2.1a and B2.5a) that apply to both organisational risk and active risk. This is because the policies, principles and procedures apply equally to both.

However, some particular procedures are separated when appropriate. For example, the procedures for the Board Audit and Risk Committee are reproduced only in Policy No A2.1a.

Other policies and procedures, dealing with specific code of conduct, governance and humanitarian risks (e.g., child protection, anti-terrorism, anti-fraud, complaints etc.) should be read in the context of the principles and methodologies set out in this policy and procedures document.

Policy No A2.1a deals with “organisational level risk management”. See definition below.

Policy No B2.5a deals with “activity level risk management”. See definition below.

In more detail –

Organisational Risk

Partner Housing Australasia shall regularly identify, review, rate, escalate, mitigate, report and escalate the whole-of-organisation risks, such as those relating to staff safety and security, safeguarding, incident management, staff integrity, high risk contexts, financial viability and reputation, as set out herein.

Quantitative Risk Analysis and Mitigation

Partner Housing Australasia Board management shall annually carry out a process of quantitative identification, assessment, quantitative rating and mitigation definition of organisational-wide risk. This shall be reported and reviewed by the Board. The Board shall determine if escalation is required.

Audit and Risk Committee

The Partner Housing Australasia Board shall appoint an Audit & Risk Committee to review and report the Board’s effectiveness in meeting its obligations in relevant matters affecting governance and finance generally. This includes governance, financial management, financial auditing, risk assessment, compliance with the key policies, nonconformance reporting, corrective action, remedial action and other relevant matters.

Consultation with Local Authority Figures

When determining program details, the Partner Housing Australasia Responsible Personnel shall carry out extensive consultation with Local Authority Figures. If a Volunteer, Member or other associated person breach any of the other policies or procedures while volunteering overseas, the following procedure shall be invoked, involving consultation with Local Authority Figures

Overseas Assignments

The Organisation encourages Volunteers to extend their pro-bono services to include activities overseas, such as supervising, mentoring, training, auditing or assessing projects.

Overseas Assignments

The personnel most likely to be involved in implementation are Chief Executive Officer, Resource Development Manager, Finance Manager, Regional Managers and Project Managers.

Insurance Provided by Partner Housing Australasia

Partner Housing Australasia shall maintain adequate insurance cover as is required by law and appropriate to the activities of the organisation.

Professional Indemnity Insurance Provided by Consultants

Partner Housing Australasia shall ensure Consultants have suitable insurance cover as is required by law and appropriate to the activities of the organisation.

Insurance Provided by Volunteers

Partner Housing Australasia shall ensure that:

- Volunteers have suitable insurance cover appropriate to their participation in the activities of the Organisation;
- Volunteers indemnify the Organisation against personal injury or loss associated with work for the Organisation.

A2.2 ANGO has systems to ensure the integrity of staff including integrity screening checks, HR policies, Code of Conduct.

This could include ensuring staff are appropriately qualified and trained for their roles, that recruitment processes communicate the organisations commitment to integrity and safeguarding and ensure staff are of good character, that staff integrity checks are undertaken during recruitment and on an ongoing basis. These could include: criminal history and other integrity screening checks. Staff behaviour should also be governed by contractual arrangements, a Code of Conduct or equivalent, position descriptions and a performance assessment process.

- a) Partner Housing Australasia shall meet all minimum legal and regulatory requirements relating to personnel, and shall document and maintain policies and procedures that relate to personnel.
- b) Code of Conduct
 - i. The Code of Conduct applicable to Volunteers, Staff and Partner Organisations is detailed throughout this “Constitution, Policies and Code of Conduct” document.
 - ii. Partner Housing Australasia is committed to increasing Volunteer, Staff and Partner Organisation awareness and understanding of all the Principles and Obligations of this Code and how it applies to their role and responsibilities within their organisation.
 - iii. Volunteers, Staff and Partner Organisations shall comply with this Code, and this requirement shall be clearly communicated at induction and in ongoing training.
- c) Partner Housing Australasia shall ensure that the unacceptable behaviours are clearly defined, including reference to any bullying, sexual harassment and sexual misconduct, exploitation and abuse. Refer to the additional policy on this matter.
- d) Partner Housing Australasia shall ensure that all personnel are provided with the relevant induction information pertaining to their rights and safety and that there is ready access to personnel and Workplace Health and Safety policies and procedures. Partner Housing Australasia shall provide advice to Volunteers on good workplace health and safety practices and habits (ergonomics / light / mental health) that can be used when working from home on behalf of the Organisation.
- e) Orientation, Training and Development
 - i. Partner Housing Australasia is committed to training and development.
 - ii. Volunteers shall receive appropriate training at least once per year in accordance with the Procedures.
 - iii. In addition to project-related training, all Volunteers shall receive training in the Key Policies set out in Part 9 of this document.
 - iv. Each Director shall receive an orientation package once per year.
 - v. If approved by the Board, Volunteers may attend relevant training programs, commensurate with the proportion of time engaged by the organisation. If so approved, Partner Housing Australasia shall meet all costs associated with such training.
- f) Partner Housing Australasia shall provide clear guidelines for the recruitment and selection of Volunteers and Staff (there are no paid employees), considering qualifications, experience, gender, diversity and equity.

Partner Housing Australasia is committed to the principle that Volunteers be recruited on the basis of merit, track record, commitment, skills and experience that they will bring to the Organisation, consistent with the principles below.

- (i) Partner Housing Australasia is committed to voluntary service. Therefore, people recruited to carry out work on behalf of the Organisations shall be willing to provide pro bono community service.

- (ii) Partner Housing Australasia is committed to improving the health and safety of both women and men in remote villages. This gender balance should be reflected in the recruitment of equal numbers of women and men Volunteers, as far as is practical within the constraints dictated by the other principles below.
 - (iii) Partner Housing Australasia is committed to the deployment of professional engineering, architectural and building skills within the Asia Pacific region. Therefore, Volunteers shall include building professionals (engineers, architects and builders) and people with professional and administrative skills and experience within the building industry or associated services.
 - (iv) Partner Housing Australasia is committed to building infrastructure in very remote Asia-Pacific villages. Volunteers undertaking overseas assignments should have practical experience of the health, personal safety, communication and logistical difficulties associated with working in remote locations such as the Papua New Guinea highlands (prone to tribal warfare and banditry), relatively inaccessible Solomon Islands villages (without clean water, sanitation or medical services) and similar environments.
- g) Partner Housing Australasia shall ensure the following –
- i. Volunteers serving overseas obtain a National Police Check by accessing the Federal Police website and completing the appropriate documentation, before departure.
<https://afpnationalpolicechecks.converga.com.au/> , Code 35.
 - ii. Volunteer serving overseas shall obtain a NSW Working with Children Clearance by accessing the NSW Government website and completing the appropriate documentation.
<https://wwccheck.cyp.nsw.gov.au/Applicants/Application>
 - iii. Volunteer serving overseas shall provide a signed copy *PHAB Consolidated Declarations, Safety, Insurance etc.* to the HR Manager.
 - iv. Volunteer serving overseas shall be trained regarding Police Checks, Declarations, Indemnities, Insurance, Risks to Health and Safety, Precautions and Emergency Procedures, Privacy, Child Protection, Anti-terrorism, Complaints Policy, Non-development Activity and other key policies.
 - v. The cost associated with these checks will be refunded by Partner Housing Australasia.
- h) The Organisation shall ensure that people who use the Organisation’s services are always treated with dignity and respect, and shall respect people’s right to privacy by safeguarding their personal information. The implementation, reporting and monitoring compliance with the privacy aspects of this policy shall be as set out in the “Procedures”.

A2.3 ANGO has a safeguarding policy and practices in place to manage risks associated with sexual exploitation, abuse, harassment and misconduct, including processes for investigating, reporting and action (where appropriate).

ANGO should have a Safeguarding/Prevention of Sexual Exploitation and Abuse (PSEA) policy, procedures and practices in place which guide/govern recruitment, staff performance, code of conduct, incident reporting and complaints handling processes that are well socialised and accessible. The scope of the policy and practices should cover Board members, all personnel (paid and voluntary) contractors, partners and primary stakeholders/community members. The policy should clearly outline the regulatory and ethical reporting obligations to be followed if an incident of sexual exploitation or abuse is committed.

- a) Partner Housing Australasia and its Partner Organisations (including Vision for Homes [PNG] and South Ranongga Community Association [Solomon Islands]) are committed to providing a work and service environment that is free from bullying, sexual exploitation, abuse harassment and other sexual misconduct. This includes the work environment in Australia and the overseas environments in which Partner Housing Australasia programs are delivered.
- b) Partner Housing Australasia shall take steps to ensure that none of the Partner Housing Australasia or Partner Organisations Directors, Members, Volunteers, Contractors, Primary Stakeholders and Community Members are subject to, or participate in, bullying, sexual exploitation, abuse harassment and other sexual misconduct.
- c) Bullying, sexual exploitation, abuse harassment and other sexual misconduct are not tolerated by Partner Housing Australasia and its Partner Organisations. When an allegation of bullying, sexual harassment or other sexual misconduct is found to be credible, Partner Housing will take prompt and appropriate corrective action and outlined in the procedures.

In particular –

- (a) Directors, Members and Volunteers of Partner Housing shall not participate in any sexual activity or inappropriate behaviour with any individual who is a beneficiary of a Partner Housing program, or who is a resident of a location where a Partner Housing program is operating.
- (b) Directors, Members and Volunteers of Partner Housing shall not participate in bullying, sexual harassment or other sexual misconduct of any kind.
- (c) Any person who believes he or she has been the target of bullying, sexual harassment or other sexual misconduct is encouraged to report the behaviour to the Chief Executive Officer; and either:
 - (i) inform the offending person orally or in writing that such conduct is unwelcome and offensive and must cease; or
 - (ii) if the person does not wish to communicate directly with the offending person, or if such communication has been ineffective, they may request the Chief Executive Officer to inform the offending person on their behalf.
- (d) Directors, Members and Volunteers who observe, are informed of, or reasonably suspect occurrence of sexual harassment or other sexual misconduct shall immediately report such incidents to the Chief Executive Officer.
- (e) If the Chief Executive Officer receives an allegation of bullying, sexual harassment or other sexual misconduct, or otherwise believes sexual harassment or other sexual misconduct is occurring, they shall ensure that the matter is promptly investigated and addressed. Action shall be taken even if the affected person does not wish to file a formal complaint.
- (f) Partner Housing shall protect the identities of the alleged victim and harasser, except as reasonably necessary for the successful investigation.
- (g) Partner Housing shall protect people who, in good faith, report incidents of potential bullying, sexual harassment or other sexual misconduct from retaliation.
- (h) Directors, Members and Volunteers who have been found to have subjected another person to bullying, sexual or other sexual misconduct harassment shall be subject to discipline or other appropriate management action as set out in the Constitution.
- (i) If an allegation is determined to be credible, the Responsible Personnel shall:

- (i) Instruct the offending person to cease the behaviour and to not reoffend;
- (ii) Instruct the offending person to relocate away from where the offending behaviour has taken place;
- (iii) Explain why the behaviour is in breach of the policy;
- (iv) Explain why the person must relocate away from where the offending behaviour has occurred; and
- (v) Determine and record whether any civil laws have been breached.
- (vi) If the bullying, sexual exploitation, abuse, harassment and other sexual misconduct is in breach of any laws, report the incident to the police who have jurisdiction where the breach has occurred.
- (vii) Take other disciplinary action appropriate to the circumstances; and
- (viii) Report the outcome of all action taken to the person who has suffered the harassment or other sexual misconduct and to the Board.

A2.4 ANGO has established public-facing complaints handling, whistle blowing, and incident management systems that are accessible to all stakeholders.

Public facing means that the policies are available to the public and that members of the public could exercise their rights in regards to the policies. This could be demonstrated by making the policies available on the ANGOs website.

Complaints handling, whistle blowing and incident reporting policies and practices should be consistent with relevant legislation and accessible to the full range of the organisation's stakeholders. ANGOs will need to demonstrate how these systems are promoted to all relevant stakeholders. ANGOs should have a formal, public and accessible complaints handling mechanism through which the public can register concerns or complaints which has clear procedures providing guidance on how the organisation will handle complaints. Attention also needs to be given to ensuring mechanisms are accessible for partners and primary stakeholders/community members with consideration of power and gender dynamics and access to appropriate communication mediums.

Refer to the ACFID Code of Conduct and its Quality Assurance Framework for guidance on what these policies and practices should address (Compliance indicator 7.3.3 for complaints handling and Compliance Indicator 9.2.2 for whistle blowing).

Partner Housing Australasia has “public facing” **complaints handling, whistle blowing, and incident management systems that are accessible via the website www.PartnerHousing.org, email or phone to all stakeholders, including the general public, partners, beneficiaries, donors, members and volunteers.**

The complaints handling, whistle blowing and incident reporting policies, procedures and practices are consistent with ACFID requirements, DFAT requirements and relevant legislation.

The complaints handling, whistle blowing and incident reporting policies, procedures and practices are promoted through the website, posts, MOUs and training packages.

The formal, public and accessible complaints handling mechanism through which the public can register concerns or complaints is available on www.PartnerHousing.org/Governance. This sets out clear procedures providing guidance on how complaints are handled, including mechanisms that are accessible for partners and primary stakeholders/community members, consistent with local culture and irrespective of gender.

The Partner Housing Australasia policies, procedures and practices are consistent with the ACFID Code of Conduct and its Quality Assurance Framework including Indicators 7.3.3 for complaints handling and Compliance Indicator 9.2.2 for whistle blowing) Specific compliance review with these requirements is set out in the Policy No A1.1a .

See also the anti-fraud policies E2.5a and E3.7a.

In particular –

Complaints Handling Policy

- (a) Partner Housing Australasia recognises the importance and value of listening and responding to concerns and complaints. Receiving concerns and complaints is one of the most important ways of learning what we need to do to improve our work. Partner Housing Australasia and its Partner Organisations shall act together to adhere to the Complaints Handling Policy and the Procedures.
- (b) This policy applies to all Volunteers and Partner Organisations. Those with particular relevant responsibilities are trained in its application. The Partner Organisation Managers are influential members within their communities, and work with all stakeholders and community members are aware of the policies and reporting procedures.
- (c) Access to the complaint handling process is free of charge to complainants.
- (d) Partner Housing Australasia shall address all complaints in an equitable, fair and unbiased manner using evidence submitted by both the complainant and our personnel through the complaint handling process.
- (e) Implementation, reporting and monitoring compliance with this policy shall be as set out in the “Procedures”.

Whistle Blowing Policy

- (a) Partner Housing Australasia is committed to transparency in its operations and encourages its Members and Volunteers to speak openly and honestly of the Organisation's activities. Partner Housing Australasia and its Partner Organisations shall act together to adhere to the Complaints Handling Policy and the Procedures.
- (b) This policy applies to all our people – volunteers and partner organisations – and they are familiarised with it. Those with particular relevant responsibilities are trained in its application.
- (c) Access to the whistle blowing process is free of charge to complainants.
- (d) Partner Housing Australasia shall address all whistle blowing revelations in an equitable, fair and unbiased manner using evidence submitted by both the whistle blower and our personnel through the process.
- (e) Implementation, reporting and monitoring compliance with this policy shall be as set out in the "Procedures".

Disciplining of Members Policy

When members breach any of the other policies or procedures, the following procedure shall be invoked.

Quality Assurance, Management Audit, Review, Training & Incident Reporting Policy

Quality Assurance

- (a) Partner Housing Australasia is committed to the provision of high-quality professional services, improved cyclone, earthquake and tsunami resistance of village houses, clinics, schools and community buildings, clean water supplies and hygienic sanitation.
- (b) Partner Housing Australasia is also committed to basic quality assurance, consistent with those principles of ISO 9001 that are appropriate to a charitable NGO providing such services.
- (c) This "Constitution, Policies & Code of Conduct", together with the "Procedures", provide the basis of the ISO 9001-compliant quality management system, designed to deliver quality assurance in Partner Housing Australasia projects and service.
- (d) Key elements of the quality assurance program include –
 - Nonconformance Reporting, Incident Reporting, Improvement Requests etc.
 - Remedial Action
 - Corrective Action
 - Management Review (Strategic Review)
 - Management Auditing (in conjunction with ACFID reviews)
 - Training

Quarterly Board Meetings – Control of Governance, Finance and Operations

- (a) Partner Housing Australasia shall control of governance, finance and operations through the quarterly Board Meetings.
- (b) Subject to the resolutions of the quarterly Board Meetings, the execution of the functions associated with governance, finance and operations shall be delegated to the Chief Executive Officer. The CEO shall delegate certain responsibilities and authorities to various Managers, in accordance with the "Procedures". See "Responsibilities, Authorities & Delegations".
- (c) These arrangements shall be reviewed and controlled by the Board, during the quarterly Board Meetings. In addition to ad hoc matters raised in response to specific unusual circumstances, the following governance, finance and operational functions shall be reviewed and controlled in accordance with the agreed schedule –
 - Mortgagor Nurture and Mortgage Redemption
 - Declarations of Interest

- Quarterly Financial Report
- Review of Governance, Administration and Project Management
- Strategic Review
- Financial Plan
- Quality Assurance – Nonconformance Reporting
- Orientation and Training
- Volunteer Visits to Partner Organisations
- Privacy
- Child Protection
- Anti-terrorism
- Non-development Activity
- Complaints Handling
- Workplace Health and Safety

A2.5 ANGO has systems to assess and manage staff safety and security risk.

ANGOs will need to demonstrate that they are aware of the most recent travel advice when staff are travelling and have appropriate support in place to limit the risks to staff safety and security. DFAT travel advisories on the Smartraveller website are subject to change and should be checked regular. Other risk mitigation strategies should include: assessment of criticality of staff travel to the region and , consideration of alternative engagement methods, pre-departure safety and security training for staff travelling to high risk contexts, registration with www.smartraveller.gov.au, registration with in-country DFAT staff/posts, subscribing to a travel advice and bulletin service, comprehensive travel and medical insurance including kidnapping insurance, and documented protocols/procedures for in-country responses.

Partner Housing Australasia shall monitor the risks associated with working in South Pacific and South-East Asian countries (including PNG and Solomon Islands in particular) by registering with and routinely consulting the DFAT www.smartraveller.gov.au website and receiving DFAT travel advisories.

Partner Housing Australasia shall maintain effective communications with in-country managers of the Partner Organisations, as a means of remaining aware of travel risks, and ensuring in-country support when it is needed to limit the risks to staff safety and security.

Partner Housing Australasia shall assess the criticality of staff travel to the region, and shall consider alternative engagement methods (e.g., monitoring programs by email communications), safety and security briefings for Volunteers, and registration with in-country DFAT.

Partner Housing Australasia shall ensure that Volunteers travelling overseas have comprehensive travel and medical insurance appropriate to the counties being visited, and documented protocols/procedures for in-country responses.

This policy is further expanded in the following detailed policies.

Volunteers, undertaking projects in Papua New Guinea, Solomon Islands, and other South Pacific or South-East Asia, should be aware, prepare and take precautions for the following risks.

In particular –

Overseas Assignments

1. The Organisation encourages Volunteers to extend their pro-bono services to include activities overseas, such as supervising, mentoring, training, auditing or assessing projects.
2. The Organisation recognises the significant cost involved in such overseas activities; and will reimburse the Volunteer's reasonable travel, accommodation and sustenance costs under the circumstances and procedures approved by the Board.

Indemnity

The Responsible Person shall implement the following:

1. Volunteers on assignments in Australia and overseas shall take adequate measures to ensure their own personal safety while carrying out work on behalf of Partner Housing Australasia and its Partner Organisations.
2. Regional Managers and Project Managers shall ensure that Volunteers are aware of the risks associated with the work.
3. Before embarking on volunteer assignments, volunteers shall indemnify Partner Housing Australasia and its consultants against injury, death, sickness, accident, misadventure or other damage to myself, others and property, associated with the voluntary activity, by completing and signing a form titled Volunteer Safety and Indemnity.

Insurance Provided by Volunteers and Reimbursed by Partner Housing Australasia

Partner Housing Australasia shall ensure that:

- Volunteers have suitable insurance cover appropriate to their participation in the activities of the Organisation;
- In particular, Partner Housing Australasia requires Volunteers travelling overseas to take out travel insurance (including health cover). Partner Housing Australasia shall to refund the cost of the travel insurance (including health cover), for volunteers who are travelling overseas on behalf of Partner Housing Australasia. Where the travel is a mixture of private and Partner Housing Australasia business, the travel insurance costs shall be met on a pro-rata basis.
- Volunteers indemnify the Organisation against personal injury or loss associated with work for the Organisation.

Risks to Health and Safety, Precautions and Emergency Procedures

Volunteers, undertaking projects in Papua New Guinea, Solomon Islands, Cook Islands, Philippines, Fiji, Vanuatu and other South Pacific or South-East Asia, should be aware, prepare and take precautions for the following risks. These include international air travel, air travel within the overseas country, motor vehicle travel, sea travel, violent attack, falls from heights, accidents involving power tools or other cutting tools, broken limbs resulting from slips and falls, Infection from coral cuts, malaria and dengue fever. Partner Housing Australasia provides detailed precautions to avoid injury due to these sources.

International air travel

Risk

The Volunteer must travel by air to and from the foreign country.

Precaution

The Volunteer should:

- where practical, travel by reputable international airline; and
- take travel insurance. (The cost will be refunded by Partner Housing Australasia).

Emergency Procedure

The Volunteer should follow all directions by airline staff.

Air travel within the overseas country

Risk

The Volunteer may be required travel within the country by air.

Precaution

The Volunteer should:

- where practical, travel by a reputable national airline; and
- be prepared to postpone or cancel the travel if this is recommended of the pilot or airline officials.

Emergency Procedure

The Volunteer should follow all directions by airline staff.

Motor vehicle travel

Risk

The Volunteer may be required travel within the country by motor vehicle, some of which may be on poorly constructed, narrow and (at times) busy roads.

Precaution

The Volunteer should:

- refrain from driving unless it is essential to do so;
- wear a seat belt when this is fitted in the vehicle; and
- be prepared to postpone or cancel the travel if this is recommended by the driver.

Emergency Procedure

The Volunteer should follow all directions by the driver.

Sea travel

Risk

The Volunteer may be required travel by motor boat or canoe across unprotected waters and open sea. The most common risks are boats capsizing or being swamped in rough weather, or engine failure some considerable distance from land.

Precaution

1. Partner Housing Australasia will:
 - Provide one life jacket for each volunteer for each trip undertaken in the Solomon Islands and in other locations involving boat travel across unprotected waters or open sea.
 - On completion of each assignment, the life jackets shall be donated to the local partner organisation, to be distributed at the discretion of the responsible contact person, for retention in boats and canoes that are in use in the community.
2. The Volunteer should ensure that the life jackets are accessible in the boat at all times during the trip.
3. In rough weather, the Volunteer should wear a life jacket.
4. The Volunteer check that the boats have emergency paddles.

Emergency Procedure

1. The Volunteer should follow all directions by the boat operator.
2. In the case of boat capsizing or swamping, stay with the boat (while it remains afloat) or with any substantial floating wreckage, and await rescue.
3. In the case of engine failure, assist in emergency paddling if required.

Violent attack

Risk

The Volunteer may travel in some area where there is a possibility of violent attack.

This may be as a result of intertribal violence (such as in the PNG Highlands) or robbery (such as in Port Moresby).

Precaution

The Volunteer should

1. Never go out after dark, particularly in areas where there is a possibility of attack;
2. Not travel alone in dangerous areas;
3. Travel with a trusted local contact;
4. Always dress and behave in an inconspicuous manner without jewellery and the like;
5. Ensure that passports and valuables are either deposited in a secure safe, or, if carried on the person, should be hidden in an inconspicuous money belt or the like.

Emergency Procedure

In the event of a violent attack, seek a safe refuge immediately and report the incident to the police.

Falls from heights

Risk

The Volunteer may be required install or inspect roof structures and the like.

Precaution

1. The Volunteer should be aware that workmanship and scaffolding in the overseas countries are generally to a very low standard, and must always be treated as unsafe.
2. Do not climb ladders without first:
 - checking that all of the rungs for weight bearing
 - ensuring the top is secure, and preferably tied in position.
3. Do not lean on railings.
4. When walking on roofs, stand only over purlins, as indicated by the lines of roofing screws.

Emergency Procedure

1. If a person falls from a significant height, they should lie perfectly still until it is clear that no major injuries (such as back injury, neck injury, broken bones or internal injury) have been sustained. Only then should an injured person move.
2. Immobilise any injured limbs.
3. Except in the case of very minor injury, an injured person should seek medical assistance.

Accidents involving power tools or other cutting tools

Risk

The Volunteer may be required use power tools or other cutting tools.

Precaution

1. The Volunteer should have up-to-date tetanus immunization.
2. The Volunteer should observe all manufacturer's safety precautions associated with tools.

Emergency Procedure

1. Clean cuts and abrasions, apply antiseptic gel and cover with a clean dressing.
2. Except in the case of very minor injury, an injured person should seek medical assistance.

Broken limbs resulting from slips and falls

Risk

The Volunteer may need to walk or climb on slippery wet slopes (such as steep wet grassy clay surfaces) where there is increased risk of slip and broken limbs.

Precaution

1. On such surfaces, the Volunteer should move slowly and deliberately, if necessary, use a stout walking stick; and wear spiked boots.
2. If a slip occurs, hold arms close to the body to avoid wrist or arm injury.

Emergency Procedure

1. Immobilize any broken limbs.
2. Except in the case of very minor injury, an injured person should seek medical assistance.

Infection from coral cuts

Risk

The Volunteer may be exposed to the risk of coral cuts when walking in the water or close to the shore. Coral cuts can become infected, resulting in very severe inflammation and cellulites.

Precaution

The Volunteer should always wear strong shoes and clothing that protect the legs.

Emergency Procedure

Carry out the first-aid procedure below.

If there is any infection, **seek medical advice as soon as possible.**

1. Scrub with soap and water and then flush with fresh water as soon as possible after contact with the coral.
2. If the wound stings, rinse it with acetic acid (vinegar) or isopropyl alcohol (this action may reduce the effect of any irritating toxins such as those produced by fire coral).
3. Flush the wound or abrasion with a mixture of 1/2 water and 1/2 hydrogen peroxide to remove coral dust and then flush with fresh water for most non-stinging coral cuts or abrasions.
4. Rinse daily and apply an antibiotic such as bacitracin (Baci-IM) or similar topical ointment 3-4 times per day.
5. Oral antibiotics are usually recommended to prevent infection. If an infection develops, continue taking the antibiotic for at least five days after all signs of the infection has resolved. Notify the doctor of any medication allergies the patient has prior to starting an antibiotic. Some antibiotics (for example, tetracyclines) can cause increased sensitivity to the sun (photosensitivity), thus it is recommended to use a sunscreen of at least SPF 15 if the area is going to be exposed to sunlight. If a wound develops pus, seek medical treatment.
6. If no evidence of infection or open wound is present, an over-the-counter steroid ointment may be used to relieve itching for a short period of time (a few days).
7. Pain may be relieved with one to two acetaminophen (Tylenol) every four hours and/or one to two ibuprofen (Motrin, Advil) every 6-8 hours. Do not exceed 3 grams of acetaminophen over a 24-hour time period. Some health care professionals prefer to use naproxen (Aleve) for pain relief.
8. Patients that are alcoholics have a tendency to develop bacterial infections by *Vibrio* spp that can be very aggressive and dangerous (life-threatening) in a short time-span. Any redness of skin that progresses rapidly with blisters moving up an extremity (arms or legs) toward the body should be considered a medical emergency, and will require IV antibiotics.

Source: http://www.emedicinehealth.com/wilderness_coral_cuts/page3_em.htm

Malaria

Risk

In some areas, the Volunteer may be exposed to the risk of mosquito-borne malaria.

Precaution

The Volunteer should seek medical advice regarding risk minimisation and any appropriate drugs before leaving Australia.

The following general advice, which must be confirmed by a qualified medical practitioner, is from https://en.wikipedia.org/wiki/Malaria_prophylaxis

- *Risk management*
- *Bite prevention—clothes that cover as much skin as possible, insect repellent, insecticide-impregnated bed nets and indoor residual spraying*
- *Chemoprophylaxis*

- *Rapid diagnosis and treatment*

Additional bite prevention measures include mosquito and insect repellents that can be directly applied to skin. This form of mosquito repellent is slowly replacing indoor residual spraying, which is considered to have high levels of toxicity by WHO (World Health Organization). Further additions to preventive care are sanctions on blood transfusions. Once the malaria parasite enters the erythrocytic stage, it can adversely affect blood cells, making it possible to contract the parasite through infected blood.

Chloroquine may be used where the parasite is still sensitive.^[1] However due to resistance one of three medications: mefloquine (Lariam), doxycycline (available generically), and the combination of atovaquone and proguanil hydrochloride (Malarone) is frequently needed.^[1] Doxycycline and the atovaquone and proguanil combination are the best tolerated with mefloquine associated with higher rates of neurological and psychiatric symptoms.

Jacquerioz FA, Croft AM (2009). Jacquerioz, Frederique A, ed. "Drugs for preventing malaria in travellers". Cochrane Database Syst Rev (4): CD006491.

Emergency Procedure

If there are any symptoms of malaria fever **seek medical advice as soon as possible**.

A malaria infection is generally characterized by recurrent attacks with the following signs and symptoms:

- Moderate to severe shaking chills
- High fever
- Profuse sweating as body temperature falls

Other signs and symptoms may include:

- Headache
- Vomiting
- Diarrhoea

Malaria signs and symptoms typically begin within a few weeks after being bitten by an infected mosquito. However, some types of malaria parasites can lie dormant in your body for months, or even years.

Source: <http://www.mayoclinic.org/diseases-conditions/malaria/basics/symptoms/CON-20013734>

Dengue fever

Risk

In some areas, the Volunteer may be exposed to the risk of mosquito-borne dengue fever.

Precaution

The Volunteer should seek medical advice regarding risk minimisation before leaving Australia.

The following general advice, which must be confirmed by a qualified medical practitioner, is from https://en.wikipedia.org/wiki/Dengue_fever .

Typically, people infected with dengue virus are asymptomatic (80%) or only have mild symptoms such as an uncomplicated fever.^{[2][4][5]} Others have more severe illness (5%), and in a small proportion it is life-threatening.^{[2][5]} The incubation period (time between exposure and onset of symptoms) ranges from 3 to 14 days, but most often it is 4 to 7 days.^[6] Therefore, travellers returning from endemic areas are unlikely to have dengue if fever or other symptoms start more than 14 days after arriving home.^[7] Children often experience symptoms similar to those of the common cold and gastroenteritis (vomiting and diarrhoea)^[8] and have a greater risk of severe complications,^{[7][9]} though initial symptoms are generally mild but include high fever.^[9]

Emergency Procedure

If there are any symptoms of dengue fever **seek medical advice as soon as possible**.

Symptoms, which usually begin four to six days after infection and last for up to 10 days, may include

- Sudden, high fever
- Severe headaches
- Pain behind the eyes
- Severe joint and muscle pain
 - Nausea
 - Vomiting
 - Skin rash, which appears three to four days after the onset of fever
- Mild bleeding (such a nose bleed, bleeding gums, or easy bruising)

Sometimes symptoms are mild and can be mistaken for those of the flu or another viral infection. Younger children and people who have never had the infection before tend to have milder cases than older children and adults. However, serious problems can develop. These include dengue hemorrhagic fever, a rare complication characterized by high fever, damage to lymph and blood vessels, bleeding from the nose and gums, enlargement of the liver, and failure of the circulatory system. The symptoms may progress to massive bleeding, shock, and death. This is called dengue shock syndrome (DSS).

People with weakened immune systems as well as those with a second or subsequent dengue infection are believed to be at greater risk for developing dengue hemorrhagic fever.

Source: <http://www.webmd.com/a-to-z-guides/dengue-fever-reference>

COVID19 and Similar Pandemics

Risk

The world-wide COVID19 pandemic broke out in early 2020, and has led rapid spread of this highly infectious disease throughout the world, causing widespread illness and death.

Although in Australia, the public health measures to control the spread of COVID19 have been moderately effective (to date), this is not the case overseas.

Strict travel restrictions and quarantine requirements have been imposed throughout the world.

The principal risk to Partner Housing Australasia volunteers will be manifested as the travel restrictions are relaxed, perhaps too soon in some cases.

Similar risks could exist in the future due to further outbreaks of similar diseases.

Precaution – During the COVID19 Pandemic

- Until further notice, do not travel overseas for any reason (including on behalf of Partner Housing Australasia).
- Adhere strictly to all Australian government regulations and guidelines.
- Consult the DFAT website and DFAT Smart Traveller internet service. smartraveller@smartraveller.gov.au Do not travel contrary to the DFAT Smart Traveller advice. Where appropriate register travel with DFAT.

Precaution – After the declared subsidence of the COVID19 Pandemic

When regulated travel restrictions are relaxed (and when deemed safe to do so), ensure that all appropriate safety precautions are still observed.

These include (but are not limited to) –

- Adhere strictly to all Australian and (when appropriate) overseas government regulations and guidelines.

- Consult the DFAT website and DFAT Smart Traveller internet service.
smartraveller@smartraveller.gov.au Do not travel contrary to the DFAT Smart Traveller advice.
Where appropriate register travel with DFAT.
- observe at least 1.5 m social distance,
- refrain from personal touch and shaking hands,
- do not share rooms,
- do not share food or eating utensils,
- avoid crowds,
- where a mask when in crowded situations, and
- adhere strictly to all quarantine regulations.

A2.6 ANGO can demonstrate the application of additional analysis, risk identification and risk management measures for high risk contexts.

ANGOs undertaking initiatives in sensitive or 'Do Not Travel' countries as listed on the Smartraveller website should apply additional and targeted analysis, identification and risk management measures. DFAT travel advisories on the Smartraveller website are subject to change and ANGOs should ensure they are aware of the most recent travel advice.

High risk contexts could be such due to geographic location which categorises them as 'do not travel' areas or because of the occurrence of, or increased likelihood of disasters or heightened insecurity. The important aspect of this indicator is that the ANGO has a process in place to make its own judgement/determination of high risk contexts (for whatever reason) and applies additional risk management measures relevant to the nature of its engagement there. For example, there may be heightened risk to partner staff, the ANGOs staff may or may not travel there, if funds are transferred there may be heightened risk of terrorism financing or other misappropriation etc. This indicator should not be interpreted as a deterrent to supporting initiatives in high risk contexts as this is often also where the greatest need exists, but it does require ANGOs to apply additional and targeted analysis, identification and risk management measures.

ANGOs should refer to the [DFAT ANCP Manual](#), section 5.1 for further guidance.

Partner Housing Australasia shall regularly monitor the Australian DFAT Smartraveller website <https://www.smartraveller.gov.au>

Partner Housing Australasia shall not conduct programs in regions that are normally experience "Level 4 - Do not travel" DFAT Smartraveller classifications.

Partner Housing Australasia may conduct programs in regions that are normally experience "Level 3 - Reconsider your need to travel" DFAT Smartraveller classifications, but shall discourage Directors, Volunteers and Staff (there are no paid staff) from travelling while a Level 3 classification is invoked.

Criterion A3: The ANGO has effective child safeguards

This criterion seeks to establish that the ANGO has the policies, procedures and practices required to safeguard children and fully comply with DFAT's Child Protection Policy. This is a 'red line' criteria. ANGOs applying for both Base and Full level must be fully compliant with every aspect DFAT's Child Protection Policy and its associated nine minimum standards. Failure to fully comply will result in the loss of accreditation status.

A3.1 ANGO has an organisational Child Protection Policy

A child protection policy needs to apply to all governing body Members, staff, contractors, volunteers and visitors to projects and meet the requirements outlined in the DFAT Child Protection Policy. ANGOs will need to demonstrate how the policy is promoted to all relevant stakeholders. Refer to the [DFAT Child Protection Policy](#) for guidance on the practices required to meet the nine minimum standards and refer to the [ACFID Code of Conduct and its Quality Assurance Framework](#) for guidance on the requirements of a policy, incident reporting and complaints handling procedures.

A3.2 ANGO has child safeguarding procedures in place that fully comply with DFAT's Child Protection Policy and all of its nine minimum standards.

The ANGO's child protection procedures will be assessed against the nine minimum standards outlined in the DFAT Child Protection Policy. ANGOs are expected to fully comply with all of the nine minimum standards. Refer to the [DFAT Child Protection Policy](#) for guidance on the practices required to meet the nine minimum standards and refer to the [ACFID Code of Conduct and its Quality Assurance Framework](#) for guidance on the requirements of a policy, incident reporting and complaints handling procedures.

A 3.3 ANGO has controls and processes to ensure implementing partners have compliant child protection policy and practices.

In addition to having their own child protection policy and related risk mitigation measures, it is expected that an ANGO will have undertaken an assessment of its implementing partners' child protection policy and practices. This is particularly relevant where a partner is undertaking child-focused activities or undertaking projects that have contact with children. ANGO's should refer to the DFAT Child Protection Policy to ensure that they are meeting the minimum standards. The review team will seek evidence that the ANGO has actively sought to assess its partner's practices in respect to child protection and provided support where required.

Policies No A3.1a, A3.2a and A3.2 apply to both Partner Housing Australasia and the Partner Organisations, and must be read in context as a single over-arching policy requirement. They are reproduced here as a single policy, in order to provide completeness and context, and as a signal of the importance ascribed to all parts of the policies.

The parts of the combined policies that specifically address the criteria of DFAT Requirement A3.1 are shown in red highlight. Notwithstanding, the other parts of the combined policy are equally important and applicable.

- (a) Partner Housing Australasia and its Partner Organisations, the Board Directors, Staff, Contractors, Volunteers and Visitors, shall meet the requirements of this Child Protection Policy, and the requirements of the DFAT Child Protection Policy. Reference shall be made to the [DFAT Child Protection Policy](#) for guidance on the practices required to meet the nine minimum standards and refer to the [ACFID Code of Conduct and its Quality Assurance Framework](#) for guidance on the requirements of a policy, incident reporting and complaints handling procedures.
- (b) (Partner Housing Australasia and its Partner Organisations shall ensure that its activities do not in any way harm, or contribute to harm to children, either directly or indirectly.
- (c) Partner Housing Australasia and its Partner Organisations shall not participate in, or condone, child abuse or exploitation.

- (d) Partner Housing Australasia and its Partner Organisations shall not participate with organisations or individuals involved in activities that could be associated, either directly or indirectly, with child abuse or exploitation; or if they pose any risk to children's safety or wellbeing.

Failure to adhere to the Child Protection Policy, and in particular, the Declaration Regarding Child Protection CoC and Declaration Regarding Use of Children's Images for Work-Related Purposes shall result in a termination of any work agreement, MOU or appointment previously enacted.

- (e) Partner Organisation Child Protection – Partner Housing Australasia shall assess the Child Protection Policies and Practices of its Partner Organisations (including, but not limited to Vision for Homes (PNG) and South Ranongga Community Association (Solomon Islands)). This shall include an assessment of the risk to children (posed by the program or the partner) and the mitigation measures necessary to reduce any risk to children. In particular Partner Organisations shall be assessed against the nine criteria that are applied to Partner Housing Australasia itself, in accordance with the [DFAT Child Protection Policy](#).
- (f) Programs do not involve interaction with children – Partner Housing Australasia and its Partner Organisations do not undertake child-focussed activities or projects that have contact or interaction with children. Partner Housing Australasia's principal activities are in design and construction of village buildings, and water and sanitation infrastructure, and providing training to the managers of the Partner Organisations. This may include the construction of houses, village community centres, village schools, village clinics and community health buildings, access roads to the preceding, water collection (e.g., wells & tanks), septic systems and latrines and hospitals.

The work described above is office-based design work (in Australia), construction work (on building sites) interacting with adult workers, and classroom-based training interacting with adult trainees. No children are involved in the execution of the work, be it design, construction or training.

The Managers, Volunteers and Contractors of Partner Housing Australasia are not required to have any contact with any children during the performance of this work, and are discouraged from doing so while executing their roles as representatives of Partner Housing Australasia. Notwithstanding, it is recognised that some Partner Housing Directors have long-standing friendships with a number of families in the regions, which pre-date their involvement with Partner Housing Australasia, and this policy does not seek to inhibit such friendships.

Similarly, the Managers, Staff and Contractors of Partner Organisations are not required to have any contact with any children during the performance of this work, and are discouraged from doing so while executing their roles as representatives of the Partner Organisations, including Vision for Homes (PNG) and South Ranongga Community Association (Solomon Islands). Notwithstanding, it is recognised that the Managers, Staff and Contractors of Partner Organisations live, with their families, in some of the villages where work is undertaken, and this policy does not seek to inhibit normal family life of these people.

- (g) Partner Housing Australasia shall formulate and consider formal Risk Assessments of both the programs and the projects that comprise those programs.
- (h) Appropriate to their circumstances and the extent of their contact with children, Partner Housing Australasia and its Partner Organisations shall ensure that this Child Protection Policy and the associated Procedures for dealing with children are regularly reviewed. The Policy is based on a considered Risk Assessments (see above) and as appropriate to the risk. The Policy addresses:
- i. Development program planning and implementation;
 - ii. Use of images and personal information for fundraising and promotion purposes;
 - iii. Personnel recruitment including staff, volunteers, consultants and suppliers – in both Australia and overseas;
 - iv. All applicable legal obligations including mandatory police checks where available and appropriate for all personnel who have regular contact with children;
 - v. Behaviour protocols or codes;
 - vi. Education and training of personnel and communication of the policy to all stakeholders; and
 - vii. Reporting procedures.
- (i) Partner Housing Australasia and its Partner Organisations shall ensure that their complaints handling processes are child friendly.

- (j) Partner Housing Australasia and its Partner Organisations shall seek ways to incorporate the voices of children in shaping the development any programs that affect them.
- (k) The implementation, reporting and monitoring compliance with this policy shall be as set out in the “Procedures”.
- (l) Partner Housing Australasia shall ensure that its Partner Organisations, Volunteers, Contractors or other personnel working on behalf of the organisation provide the following specific protections for children –
 - i. Treat children with respect regardless of race, colour, sex, language, religion, political or other opinion, national, ethnic or social origin, property, disability, birth or other status;
 - ii. Not use language or behaviour towards children that is inappropriate, harassing, abusive, sexually provocative, demeaning or culturally inappropriate;
 - iii. Not engage children in any form of sexual activity or acts, including paying for sexual services or acts, where under the law(s) applicable to the child (including Part IIIA of the Australian Crimes Act 1914 (Commonwealth) as amended), the child is below the age of consent or the act(s) are an offence under relevant laws;
 - iv. Wherever possible, ensure that another adult is present when working in the proximity of children;
 - v. Not invite unaccompanied children into my home, unless they are at immediate risk of injury or in physical danger;
 - vi. Not sleep close to unsupervised children unless absolutely necessary, in which case must obtain a supervisor’s permission, and ensure that another adult is present if possible;
 - vii. Use any computers, mobile phones, or video and digital cameras appropriately, and never to exploit or harass children or to access child pornography through any medium (see also ‘Use of children’s images for work related purposes’);
 - viii. Refrain from physical punishment or discipline of children (excluding their own children);
 - ix. Refrain from hiring children for domestic or other labour which is inappropriate given their age or developmental stage, which interferes with their time available for education and recreational activities, or which places them at significant risk of injury;
 - x. Not supply or provide drugs or alcohol to children;
 - xi. Not make gifts to children;
 - xii. Comply with all relevant Australian and local legislation, including labour laws in relation to child labour;
 - xiii. Immediately report concerns or allegations of child abuse in accordance with appropriate procedures.
- (m) Partner Housing Australasia, and its Volunteers, Contractors or other personnel working on behalf of the organisation, shall observe the following, when photographing or filming a child for work related purposes:
 - i. Before photographing or filming a child, assess and endeavour to comply with local traditions or restrictions for reproducing personal images;
 - ii. Before photographing or filming a child, obtain consent from the child or a parent or guardian of the child and explain how the photograph or film will be used;
 - iii. Ensure photographs, films, videos and DVDs present children in a dignified and respectful manner and not in a vulnerable or submissive manner. Children should be adequately clothed and not in poses that could be seen as sexually suggestive;
 - iv. Ensure images are honest representations of the context and the facts;
 - v. Ensure file labels do not reveal identifying information about a child when sending images electronically.
- (n) Partner Housing Australasia shall not include images featuring children in any documents or on the website.
- (o) Partner Housing Australasia shall only include photographs in documents or on the website of adults who have signed the Photo Release Form. Copies of signed forms shall be retained in the permanent records of the HR Manager, the CEO and the Communications Manager.

SECTION B DEVELOPMENT APPROACHES AND MANAGEMENT

B1: The ANGO has a track record of supporting and managing effective international development activities.

This criterion seeks to verify past performance to establish that the ANGO has a documented track record of achieving effective development outcomes in developing countries.

B 1.1 ANGO's Objectives in governing Instrument or Strategic Plan include development activities in developing countries.

No guidance required.

Partner Housing Australasia shall have clearly defined objectives in the governing instrument, which include development activities in developing countries.

Partner Housing Australasia shall prepare and adopts Strategic Plans which reflect these objectives (of development activities in developing countries).

B 1.2 ANGO has a minimum two-year track record of development activities.

A minimum two-year track record of development activities means that the ANGO is required to have been involved in the oversight of the planning, design, implementation and monitoring of development activities, including financial management for at least two years. Some of those tasks may be delegated to the ANGO's in-country partners, but the organisation should still be in a well-informed position and able to influence decisions throughout the management cycle. Merely raising funds and sending them to an in-country partner or other party, with no oversight role is not sufficient. The track record may include experience in managing the ANGO's own funding, DFAT or other institutional donor funds.

Partner Housing Australasia shall report and maintain records of all development programs, as reflected in the Vision, Mission and Values.

Vision – Partner Housing Australasia is an entirely voluntary organisation, which aims to transform the lives of people living in Asia-Pacific villages by improving the cyclone, earthquake and tsunami resistance of their houses, clinics, schools and community buildings; and by providing clean water supplies and hygienic sanitation.

Mission – Partner Housing Australasia is a Christian organisation that works with local communities and government to build safe and healthy villages. We offer four basic services:

1. Pro-bono "Design and Help-Desk" Engineering Services to other Non-governmental Organisations (NGOs) and governments of South Pacific countries.
2. Finance, design, materials supply, supervision, mentoring and training for village infrastructure, clinics schools, water, sanitation and housing projects.
3. Development of village building systems with enhanced cyclone, earthquake and tsunami resistance and sustainable rural water supply and sanitation systems.
4. Training programs for the design, construction and maintenance of improved village buildings, rural water supply and sanitation.

The particular objects of the Organisation are:

- (a) to reduce and eventually eliminate poverty housing and homelessness in Australia and the Asia-Pacific region, by enabling the building or renovation of adequate and basic housing and by providing the means for homelessness and disadvantaged persons and families to acquire such housing;
- (b) to dispense relief directly to persons and families in the community suffering from poverty, sickness, destitution and homelessness;

- (c) to enable needy and marginalised persons and families to build hope and dignity and to nurture self-respect in such persons and families through the provision of simple, decent and affordable places to live with reliable village infrastructure;
- (d) to help such persons and families to help themselves and to encourage them to work in association with Partner Housing Australasia in achieving the goal of providing a simple, decent and affordable place to live through home ownership and reliable village infrastructure.

Partner Housing Australasia's principal mission is in designing and building simple, decent, affordable housing and reliable village infrastructure that relate directly to the improvement of the daily lives of poor people in villages in developing countries. This includes:

- Houses
- Village community centres
- Village schools
- Village clinics
- Access roads to the villages
- Water collection (e.g., wells & tanks) and reticulation to villages
- Septic systems and latrines to villages
- Hospitals

B 1.3 ANGO can differentiate between development activities and 'non-development' activities.

This indicator is particularly relevant where ANGOs and/or their implementing partners undertake both development and non-development initiatives. Where this is the case, ANGOs must be able to demonstrate that their implementing partners understand the difference, separate the management of the different types of activities and account for funding for different types of activities. ANGOs must be able to demonstrate communication with partners which shows an understanding of the difference between the different types of activities.

ANGOs should refer to the [DFAT ANCP Manual](#), section 4.2 for definitions and further guidance.

- (a) Partner Housing Australasia does not involve itself in non-development activity and any funds and other resources designated for the purpose of aid and development will be used only for those purposes and will not be used to promote particular religious adherence or to support a political party, or to promote a candidate or organisation affiliated to a particular party.
- (b) This will be made clear in all fundraising, programs and other activities, in public communication and in all reporting including annual reports.
- (c) Partner Housing Australasia offers two basic services:
 - Pro-Bono "Design and Help-desk" Engineering Services to other NGOs and governments of smaller developing Asia-Pacific countries.
 - Finance, Design, Materials Supply, Supervision, Mentoring and Training for village infrastructure and housing projects.
- (d) Partner Housing Australasia shall ensure that the separation in fundraising, programs and other activities, in public communication and in reporting, that this extends to all partner and implementing organisations and is documented.
- (e) Funds and resources raised by Partner Housing Australasia are used exclusively for these two activities.
- (f) Partner Housing Australasia is not involved in, and does not permit its funds to be used for non-aid and development activities or to achieve religious or political outcomes. "Non-aid and development activity" includes activity undertaken to promote a particular religious adherence or to support a particular party, candidate or organisation affiliated to a political party.
- (g) The implementation, reporting and monitoring compliance with this policy shall be as set out in the "Procedures".

B 1.4 ANGO can demonstrate that it responds to past performance issues.

Where ANGO monitoring or DFAT monitoring has identified performance issues related to the ANGO, the implementing partner or the program, the ANGO must be able to demonstrate that it has taken appropriate action to remedy or address the performance issue. Any DFAT materials relating to past performance that are provided to the review team will also have be provided to the ANGO.

For fairness, transparency and in accordance with the principles of natural justice, ANGOs must be given at least 15 working days to review past performance material provided by DFAT to the Review Team (if this has not previously occurred). Where an ANGO disagrees with the findings of past performance material, the partner may submit a written statement declaring its objections.

- (a) Partner Housing Australasia is committed to the provision of high-quality professional services, improved cyclone, earthquake and tsunami resistance of village houses, clinics, schools and community buildings, clean water supplies and hygienic sanitation.
- (b) Partner Housing Australasia is also committed to the requirements of DFAT and the ACFID Code of Conduct.
- (c) Partner Housing Australasia operates a basic quality assurance, consistent with those principles of ISO 9001 that are appropriate to a charitable NGO providing such services; and responds effectively to past performance issues. When performance issues are detected, the organisation shall use nonconformance reporting/improvement requests, remedial action and corrective action to report, monitor, fix and prevent recurrence of the particular issue.
- (d) This “Constitution, Policies & Code of Conduct”, together with the “Procedures” provide the basis of the ISO 9001-compliant quality management system, designed to deliver quality assurance in Partner Housing Australasia projects and service.
- (e) Key elements of the quality assurance program include –
 - Nonconformance Reporting, Incident Reporting, Improvement Requests etc.
 - Remedial Action
 - Corrective Action
 - Management Review (Strategic Review)
 - Management Auditing (in conjunction with ACFID reviews)
 - Training

B2: The ANGO has the capacity to operate in a manner that promotes quality and effectiveness.

This criterion seeks to establish that the ANGO is committed to and operates in a manner consistent with current good practice guidelines for the sector including the ACFID Code of Conduct.

NB: Compliance with the ACFID Code of Conduct is verified as a pre-eligibility criterion.

B 2.1 ANGO has the demonstrated capacity or a strategy to effectively program and manage DFAT grants of equivalent size and complexity to future ANCP grant.

The ANGO needs to demonstrate that it has the staff, program management and partnership capacity to effectively manage and implement its program portfolio, including its ANCP program.

For new applicants ..., an indicative ANCP allocation will be provided to the review team by DFAT. The ANGO will need to demonstrate that it has appropriate procedures and practices to manage that indicative ANCP allocation. This would include systems to support, monitor and report on a program portfolio that included DFAT funding of that quantum; a strategy that has scoped projects that meet ANCP eligibility and the indicative ANCP allocation; established partnerships that would implement the future ANCP grant; and internal human resources capacity to support quality implementation and risk management.

Partner Housing Australasia has the financial, professional skills and volunteer capacity to **program and manage grants up to AUD \$ 300,000 per annum, over an extended period of at least five years, involving program design, funding, engineering and architectural design, detailing, materials and components procurement, construction management, governance, auditing, monitoring, evaluation and the like.**

Partner Housing Australasia shall maintain its volunteer personnel, program management capabilities and partnership capacity at current levels (as set out in Procedures) to effectively manage and implement its current and proposed program portfolio of value up to **AUD \$ 300,000 per annum**. In particular, the volunteer personnel capacity, program management capacity and partnership capacity shall be as set out in “Procedures” and “Compliance” section of this document.

Note:

Partner Housing Australasia has the procedures and practices, and a proven track-record of being able to easily and effectively manage an AUD \$ 60,000 DFAT Friendship Grant in 2019. This included systems to support, monitor and report on a program portfolio that included DFAT funding of that quantum; a strategy that has scoped projects that meet ANCP eligibility and the indicative ANCP allocation; established partnerships that would implement the future ANCP grant; and internal human resources capacity to support quality implementation and risk management.

B 2.2 ANGO has a documented approach to managing its initiatives/programs e.g. project management cycle or equivalent, relevant to its types of initiatives or models of delivery.

The ANGO’s project management system should suit the size, nature and complexity of the initiatives/programs being managed by the organisation. For ANGOs seeking Base accreditation, which usually carry smaller project portfolios, management systems may be less complex. As a minimum, the system will include documented guidelines or templates for each stage of the project cycle and evidence of project documentation of each stage. The management cycle usually includes design; appraisal; implementation; monitoring; and evaluation.

For larger organisations, or organisations working through field offices or international affiliates, the ANGO’s knowledge of the project cycle is still important, although it is recognised that there may be more limited evidence of project documentation for each stage available in the ANGO office. Where this is the case, the ANGO must provide evidence of how it establishes confidence in its field partners or international affiliates to effectively manage the project cycle and how it remains informed and can influence the initiative/program if required.

Often, in preparation for accreditation, ANGOs review and improve their project management systems. In such cases, it is important that any updates or changes to procedures and templates are completed before the accreditation review so that the system can be demonstrated in practice to meet accreditation criteria. Very new but largely untested systems will not usually constitute ‘track record’.

Partner Housing Australasia **has demonstrated capacity and a current program management strategy, which enables it to effectively program and manage infrastructure design, construction and training programs in remote South Pacific villages.**

The Partner Housing Australasia project management system is based on an annual design, construction and training expenditure *up to approximately AUD \$ 300,000.*

Partner Housing Australasia is a specialised organisation working on the design and construction of community level housing and infrastructure. Its project management system reflects its nature as an NGO focused on design and construction, and the professional skills of its Volunteers. Partner Housing Australasia has a documented track record of design and construction programs, currently in PNG and Solomon Islands, and previously in Cook Islands, Fiji and Philippines, dating from 2010.

In particular –

Programs

Partner Housing Australasia conducts two 5-year programs (PNG Village Buildings and Solomon Islands Water and Sanitation). These two programs will run until mid-2025, and consist of a number of smaller projects (Stages) which comprise the overall programs. The program design for these two programs (carried out in the many years ago) included detailed needs analysis, was considered and approved by the Board, is retained in the permanent records and is available for inspection. The program design for any new programs shall include detailed needs analysis, shall be considered by the Board and shall be retained in the permanent records.

Partner Housing Australasia appraises proposals from Partner Organisations in detail, via exchange of emails probing the required expenditure, beneficiaries and the like.

Partner Housing Australasia monitors progress of each program through constant communications between Regional Managers (and, where appropriate Project Managers) and the Partner Organisation Manager. All such email communications are retained in the permanent records. The monitoring is reported to the Board in detail at each Quarterly Board Meeting.

Partner Housing Australasia updates its evaluation of each program annually based on the most recent data available at the time.

The program design, appraisal and needs analysis, implementation, monitoring and evaluations are set out in the Strategic Plans for each program, and updated annually.

Projects

For each project (each generally of approximately 12-month duration within the context of the 5-Year programs), Partner Housing Australasia steps through a project cycle based on construction industry stages including:

- project definition,
- contract or MOU with beneficiary stakeholders,
- contract or MOU with partner organisation,
- design,
- pricing,
- ordering materials,
- taking delivery of materials,
- fabrication (including trial erection where appropriate,
- transport to site,
- site construction,
- commissioning,
- hand-over, and routine maintenance.

B 2.3 ANGO undertakes contextual analysis including the perspectives of stakeholders, which informs planning and design.

ANGOs initiative or program designs and planning should be informed by thorough contextual and stakeholder analysis, the inclusion of perspectives of stakeholders including partners and program participants/community members and research or other available evidence.

ANGOs should prepare design documentation. The preparation of comprehensive design documentation provides a structure which adds rigour to the analysis and design process and provides management tools which can be used and revised throughout the life of the program. The Annual Development Plan template does not constitute a design document on its own and is not considered adequate in this regard. Design documentation will differ from organisation to organisation although there would normally be fairly standard inclusions such as: contextual and stakeholder analysis, analysis of gender and other cross cutting issues, analysis of other barriers to inclusion for other vulnerable or marginalised groups, an outline of the program logic or theory of change, risk analysis and management, monitoring and evaluation, and management and governance arrangements including financial management.

For further guidance on Indigenous Peoples, ANGOs should refer to DFAT's [Environment and Social Safeguard Policy for the Aid Program \(January 2018\)](#) and the DFAT [Reaching Indigenous People in the Australian Aid Program: Guidance Note](#).

Partner Housing Australasia undertakes contextual analysis including consideration of stakeholder perspectives. The program design and planning functions are informed by ongoing contextual and stakeholder considerations, refined over many years, and include considerations of the various stakeholders including partners, beneficiaries and community members, and rely on face-to-face discussion and research of publicly available evidence. The resulting data shall be collated into two types of design documents –

- Partner Housing Australasia's manual "Human Rights Considerations in South Pacific Village Buildings, Water Reticulation and Sanitation"; and
- Strategic Plans for each program (including, but not limited to PNG Village Buildings and Solomon Islands Village Water and Sanitation).

These documents provide structure and rigour for the analysis and design and are revised annually.

Design documentation includes contextual and stakeholder analysis, gender, vulnerable or marginalised groups, program logic, risk analysis and management, monitoring and evaluation, management, governance, finance and sustainability.

Refer also to DFAT [*Environment and Social Safeguard Policy for the Aid Program \(January 2018\)*](#) and the DFAT [*Reaching Indigenous People in the Australian Aid Program: Guidance Note*](#).

B 2.4 ANGO appraises potential initiatives against a documented set of quality standards and DFAT requirements.

The ANGO must be able to demonstrate that it undertakes systematic appraisals or assessments of its initiatives/programs prior to funding or approval. These should be documented. This is an important quality assurance and quality improvement process and ensures programs reflect good development standards and comply with the ANGOs and DFAT compliance and safeguarding requirements. Typically, an appraisal seeks to ensure that the potential project supports the organisation's overall development priorities and strategy; that it reflects key development principles, such as inclusion, participation and sustainability; that the implementing partner responsible for implementing the project has sufficient capacity and support; and that the design, budget and approach of the program appear reasonable. In addition, for activities funded by the Australian Government, appraisals must ensure that the program does not include welfare, evangelistic or partisan political activities and does not support organisations or individuals linked with child sex offences or terrorism and meets all other compliance and safeguarding requirements.

- (f) Partner Housing Australasia is committed to the provision of high-quality professional services, improved cyclone, earthquake and tsunami resistance of village houses, clinics, schools and community buildings, clean water supplies and hygienic sanitation.
- (g) Partner Housing Australasia is committed to the ACFID Code of Conduct and the similar requirements of the DFAT ANCP scheme.
- (h) Partner Housing Australasia is also committed to basic quality assurance, consistent with those principles of ISO 9001 that are appropriate to a charitable NGO providing such services.
- (i) The "Constitution, Policies & Code of Conduct", together with the stand-alone policies and procedures documents, provide the basis of the ISO 9001-compliant quality management system, designed to deliver quality assurance in Partner Housing Australasia projects and service.
- (j) Partner Housing Australasia shall **appraise potential programs and projects against a documented set of quality standards and DFAT requirements, as set out in the other stand-alone policies and procedures documents listed in Part 9 of the "Constitution, Policies and Code of Conduct". Such appraisal shall be recorded in Strategic Plans and/or Project Proposals.**
- (k) The Partner Housing Australasia policies and procedures (based on ISO 9001) ensure that the quality assurance and quality improvement processes deliver good development standards and compliance with both the Organisation's and DFAT's compliance and safeguarding requirements, within the context of the stated overall development strategy.
- (l) This includes ensuring sufficient financial capacity, personnel capacity and skills, together with realistic estimates for the program design, budget and general approach.
- (m) Partner Housing Australasia confirms that the two existing programs ("PNG Village Community Health, Education and Residential Buildings" and "Solomon Islands Villager Water Supply and Sanitation"), which were designed, appraised, considered by the Board, and approved by both Board and AGMs, meet the requirements stated above, viz. There is sufficient financial capacity, personnel capacity and skills, together with realistic estimates for the program design, budget and general approach. This process is recorded in relevant emails, Board minutes and AGM minutes.
- (n) Partner Housing Australasia confirms –
 - that none of its current or future programs include welfare, evangelistic or partisan political activities,
 - that it does not support organisations or individuals linked with child sex offences or terrorism; and
 - that it meets all other compliance and safeguarding requirements.

In particular –

Quality Assurance

In addition to the general approach of ISO 9001, the following key elements of the ISO 9001 quality assurance program are paramount –

- Nonconformance Reporting, Incident Reporting, Improvement Requests etc.

- Remedial Action
- Corrective Action
- Management Review (Strategic Review)
- Management Auditing (in conjunction with ACFID reviews)
- Training

Quarterly Board Meetings – Control of Governance, Finance and Operations

- (d) Partner Housing Australasia shall control of governance, finance and operations through the quarterly Board Meetings.
- (e) Subject to the resolutions of the quarterly Board Meetings, the execution of the functions associated with governance, finance and operations shall be delegated to the Chief Executive Officer. The CEO shall delegate certain responsibilities and authorities to various Managers, in accordance with the “Procedures”. See “Responsibilities, Authorities & Delegations”.
- (f) These arrangements shall be reviewed and controlled by the Board, during the quarterly Board Meetings. In addition to ad hoc matters raised in response to specific unusual circumstances, the following governance, finance and operational functions shall be reviewed and controlled in accordance with the agreed schedule –
- Mortgagor Nurture and Mortgage Redemption
 - Declarations of Interest
 - Quarterly Financial Report
 - Review of Governance, Administration and Project Management
 - Strategic Review
 - Financial Plan
 - Quality Assurance – Nonconformance Reporting
 - Orientation and Training
 - Volunteer Visits to Partner Organisations
 - Privacy
 - Child Protection
 - Anti-terrorism
 - Non-development Activity
 - Complaints Handling
 - Workplace Health and Safety
 - Other Code of Conduct Issues

MS Excel Workbook

Partner Housing Australasia operational managers shall maintain orderly records of the various processes used in establishing and managing programs. These processes include (but are not limited to) program design, appraisal, implementation, monitoring and evaluation.

Within the implementation process, a customised MS Excel Workbook facilitates and records the following six essential elements of an ISO 9001-based Quality Assurance system –

- Nonconformance Reporting/Improvement Requests, Corrective Action and Preventive Action.
- Internal Audit, Management Review and Training.

The MS Excel Workbook facilitates and records the following Appraisal Against Quality Standards & DFAT Policy Requirements, amongst other issues. It contains 24 prompts that ask 'Will this program comply with (a PHA policy)? How is compliance achieved?'. The prompts include: Human Resources; Code of Conduct; Orientation, Training and Development; Antifraud, anti-corruption, and anti-money laundering; Consultation with Local Authority Figures; Overseas Assignments; Insurance (provided by PHA, Consultants & Volunteers); Risk Assessment; Risk to Health & Safety, Precautions and Emergency Procedures; Privacy; Child Protection; Ant-terrorism; Complaints handling; Non-development policy; Human Rights in Aid Development; Gender Issues; Bullying, Sexual Harassment and Sexual Misconduct; Environmental Sustainability; Whistle Blowing; Quality Assurance; and Quarterly Board Meetings – Control of Governance, Finance and Operations.

Training

Members, Directors, Volunteers and Partner organisations shall be made aware of this policy and these procedures during the regular training program set out in the Procedures.

B 2.5 ANGO assesses and manages activity risk.

It is expected that all initiatives/programs will include an analysis of risk and have a documented risk management plan or equivalent. Risk management practise should be consistent with the International Standard for Risk Management (ISO31000:2018). Activity level risk management documentation will differ from organisation to organisation although there would normally be standard inclusions such as: identification of risks, a rating of the risks and treatment strategies. It must include treatment of child protection and other safeguarding risks. This risk analysis should be reviewed periodically.

The Board and Senior Management of Partner Housing Australasia commit² to –

- managing risk and links to its objectives and other policies;
- reinforcing the need to integrate risk management into the overall culture of the organization;
- leading the integration of risk management into core business activities and decision-making;
- clearly defining authorities, responsibilities and accountabilities;
- making available the necessary financial, personnel and skill resources necessary for the fulfilment of the Vision, Mission and Values;
- the equitable and expeditious resolution of conflicting objectives;
- accurate measurement and reporting of appropriate performance indicators;
- the process of audit, management review and improvement; and
- communication of these commitments to all external and internal stakeholders.

Partner Housing Australasia shall carry out an analysis of risk (including child protection and other safeguarding risks), associated with its programs, and the projects comprising those programs. Partner Housing Australasia aims to –

- Implement appropriate risk mitigation strategies for all identified risks;

² The distinction between organisational risk and active risk is recognised in the Definitions section. It is also recognised that active risks potentially threaten, not only the particular programs, but also the organisation as a whole. In the interest of thoroughness, this Policies and Procedures document reproduces in full the policies (A2.1a and B2.5a) that apply to both organisational risk and active risk. This is because the policies, principles and procedures apply equally to both.

However, some particular procedures are separated when appropriate. For example, the procedures for the Board Audit and Risk Committee are reproduced only in Policy No A2.1a.

Other policies and procedures, dealing with specific code of conduct, governance and humanitarian risks (e.g., child protection, anti-terrorism, anti-fraud, complaints etc.) should be read in the context of the principles and methodologies set out in this policy and procedures document.

- Ensure that the risk mitigation strategies maintain all risk ratings under 21, i.e., “Low”; and
- Assign the highest priority to the mitigation strategies associated with the highest risk ratings.

The risk analyses are reviewed by the Board annually, usually at the February Board Meeting.

The Procedures of this document and have a documented Risk Management Plan, consistent with ISO31000:2018 “Risk Management – Guidelines.”

The “Compliance” section of this policy document sets out the relevant risk assessments in accordance with the principles of ISO 31000.

Policy No A2.1a deals with “organisational level risk management”. See definition below.

Policy No B2.5a deals with “activity level risk management”. See definition below.

B 2.6 Where ANGO is working in association with international affiliates, networks or consortiums, it can demonstrate its knowledge of and influence throughout the initiative management cycle.

While the ANGO may not be an active participant at all points in the management cycle, it should demonstrate how it assures itself of the quality of the work, how it remains informed and how it can influence or intervene where its interests dictate.

The ANGO must be able to demonstrate an understanding of and a degree of oversight and influence, for any initiatives or programs to which it provides funds and other resources. At a minimum, this should include:

- *the capacity to receive reports and monitor progress*
- *being in an informed position in order to identify and respond to issues of poor performance or policy non-compliance*
- *the right to withdraw funding where necessary; and*
- *evidence of conducting due diligence on implementing partners to ensure policy compliance and effectiveness.*

Partner Housing Australasia does not have international affiliates and is not part of a network or consortium.

Partner Housing Australasia does partner with independent community-based organisations (e.g., Vision for Homes [PNG] and South Ranongga Community Association [Solomon Islands]). These organisations adhere to the requirements set out in Memoranda of Understanding signed by their Manager and the Partner Housing Australasia President / CEO / Public Officer.

B3: The ANGO integrates cross cutting themes to enable effectiveness.

This criterion seeks to verify an ANGO's approach to promoting gender equality, disability inclusion, environmental management and sustainability.

B3.1 ANGO has a gender equality policy and incorporates gender equality practices including contextual analysis of gender barriers, opportunities to enable inclusion, strategies to promote gender equality and targeted M&E.

ANGO should be fully implementing its own gender equality policy (requirement for Criterion A2). ANGO should be able to demonstrate that it incorporates measures to address gender equality and women's empowerment throughout its programs. This includes undertaking gender analysis which considers the differences experienced for different genders in terms of the distribution of resources, opportunities, constraints and power in a given context. Findings from this gender analysis should be used to ensure at minimum that the initiative/program does no harm and does not reinforce gender inequalities and that program designs promote the rights and equality of women and girls and others marginalised or vulnerable due to gender. Monitoring and evaluation should demonstrate the assessment of progress in promoting the rights and equality of women and girls and others marginalised or vulnerable due to gender.

ANGOs should refer to DFAT's Gender Equality and Women's Empowerment Strategy.

- (a) Partner Housing Australasia and its Partner Organisations shall ensure that an appropriate focus is given to understanding and addressing gender equality issues in the development program design, including contextual analysis of gender barriers, opportunities to enable inclusion, strategies to promote gender equality and targeted monitoring and evaluation cycles. These shall focus on progress in promoting the rights and equality of women and girls and others marginalised or vulnerable due to gender.
- (b) Partner Housing Australasia shall assist Partner Organisations to become aware of, and to deal with, similar gender issues in their aid and development activity.
- (c) To facilitate the promotion of gender equality, Partner Housing Australasia shall ensure that its Board reflects a balanced approach to gender representation.
- (d) Partner Housing Australasia shall incorporate measures to address gender equality and women's empowerment throughout its programs.
- (e) Partner Housing Australasia carries out gender analysis which considers the differences experienced for different genders in terms of the distribution of resources, opportunities, constraints and power in a given context. The gender analysis is used to inform appropriate gender risk analyses and determination of mitigation strategies aimed at ensuring at minimum that programs do not harm and does not reinforce gender inequalities. Program designs promote the rights and equality of women and girls and others marginalised or vulnerable due to gender, through the promotion of privacy in toilets, showers and the like.
- (f) Monitoring and evaluation of gender related issues shall be conducted annually as part of the review of the three 5-Year Strategic Reviews.
- (g) Refer also to DFAT's Gender Equality and Women's Empowerment Strategy.
- (h) Refer also the policies on Human Rights in Aid Development and Risk Assessment and Active Risk Management.

In more detail –

Composition and membership of Board

1) The Board is to consist of:

- i. the office-bearers of the Organisation, and
- ii. at least three (3) and not more than more than nine (9) ordinary Board members, as determined by each Annual General Meeting before the election takes place, each of whom is to be elected at the annual general meeting of the Organisation under clause 15.

Note.

Section 28 of the Act contains further requirements concerning eligibility for membership and composition of the Board.

- 2) The total number of Board members is to be not less than seven (7) and not more than thirteen (13).
- 3) Partner Housing Australasia is committed to the principle that all Board Members (Directors) be nominated and elected on the basis of merit, track record, commitment, skills and experience that they will bring to the Organisation, consistent with the principles below.

The Board is the governing body of Partner Housing Australasia, and therefore shall reflect a practical balance of the following principles of the Organisation -

- i. Partner Housing Australasia is committed to voluntary service. Therefore, all Directors shall have a demonstrated track record of volunteering and/or community service.
- ii. Partner Housing Australasia is committed to improving the health and safety of both women and men in remote villages. To reflect this gender balance, the Board shall consist of equal numbers of women and men, as far as is practical within the constraints dictated by the other principles below.
- iii. Partner Housing Australasia is committed to the deployment of professional engineering, architectural and building skills within the Asia Pacific region. Therefore, the Board shall consist substantially of building professionals – engineers, architects and / or builders. Other Directors shall have professional or administrative skills and experience within the building industry or associated services.
- iv. Partner Housing Australasia is committed to building infrastructure in very remote Asia-Pacific villages. The Board must understand and have collective experience of the local cultures, values and history, and health, personal safety, communication and logistical difficulties associated with working in remote locations such as the Papua New Guinea highlands (prone to tribal warfare and banditry), relatively inaccessible Solomon Islands villages (without clean water, sanitation or medical services) and similar environments. Therefore, the Board shall include a majority of Directors who have demonstrated practical experience of undertaking voluntary work in these or similar remote locations.

B 3.2 ANGO incorporates disability inclusive practices including contextual analysis of barriers for people with disability, opportunities to enable inclusion and targeted M&E.

ANGO should be able to demonstrate that it incorporates measures to understand the barriers to inclusion, and to promote disability inclusive practices throughout its programs. This includes undertaking analysis which includes consultation with people with disability and contextual analysis of the barriers to social inclusion and participation. Findings from this analysis should be used to ensure at minimum that the initiative/program does no harm and does not reinforce inequalities and barriers to inclusion and that program designs promote inclusion of people with disability. Monitoring and evaluation should demonstrate the assessment of progress in promoting the inclusion of people with disability.

ANGOs should refer to the [DFAT 'Development for All 2015-2020: Strategy for strengthening disability-inclusive development in Australia's aid program.](#)

Partner Housing Australasia ***shall consider disability inclusive practices, including contextual analysis of barriers for people with disability, opportunities to enable inclusion and targeted monitoring and evaluation in the design of its programs.***

Partner Housing Australasia incorporates measures to understand the barriers to inclusion.

Partner Housing Australasia promotes disability inclusive practices throughout its programs, including analysis which includes consultation with people with disability and contextual analysis of the barriers to social inclusion and participation.

Based on this analysis, Partner Housing Australasia ensures that program do no harm and do not reinforce inequalities and barriers to inclusion.

Partner Housing Australasia program designs promote inclusion of people with disability.

Partner Housing Australasia program designs also consider the coincidental additional benefits accruing to beneficiaries, as a result of the provision of features for the inclusion of people with disabilities (cross-cutting themes).

Partner Housing Australasia continuously monitors (through email exchange with implementing Partner Organisations) and annually evaluates the effectiveness of programs in promoting the inclusion of people with disability.

For further information, refer to the DFAT 'Development for All 2015-2020: Strategy for strengthening disability-inclusive development in Australia's aid program'.

B3.3 ANGO has a policy and practices in place to assess and mitigate environmental impact where appropriate.

All programs, regardless of the monetary value or delivery approach should be screened for potential environmental impacts. This initial screening can be included in an appraisal checklist or approach with more thorough environmental impact assessments undertaken if required. DFAT funded projects must comply with the environmental laws of partner governments and Multilateral Environmental Agreements.

ANGOs must consider potential environmental impacts and the assessment and management of these impacts. The ANGO must ensure potential environmental impacts relating to its initiative/program are identified, assessed and managed to avoid or mitigate negative impacts and promote positive impacts and comply with all relevant environmental laws and regulations of the partner country.

ANGOs should refer to [DFAT's Environment Protection Policy for DFATs Aid Program](#). Information about assessing and managing environmental risks is also included in the [DFAT's Environment Protection Policy Good Practice Notes](#).

Partner Housing Australasia recognises and adheres to the following principles –

Principle 1: Partner Housing Australasia shall do no harm (to the environment) through the following –

- a) Protect and maintain the health, diversity and productivity of natural habitats.
- b) Protect the health, welfare, and livelihoods of people including women and vulnerable groups, including children and people with a disability.
- c) Apply pollution prevention and control technologies and practices consistent with international good practice and standards. Avoid the use of hazardous materials subject to international bans and phase outs.
- d) Provide safe and healthy working conditions that prevent accidents, injuries and disease to workers and local communities.
- e) Protect and conserve natural and cultural heritage.

Principle 2: Partner Housing Australasia shall assess and manage environmental risk and impact of the construction programs through the following –

- a) Conduct an assessment of each proposed activity to identify potential direct and indirect impacts on the environment and the potential significance of any identified impacts. Undertake due diligence reviews of associated facilities where appropriate.
- b) Ensure environmental risks are identified early and presented in relevant risk and decision-making processes and documents.
- c) Avoid, or where avoidance is not possible, minimise, mitigate, or as a last resort, offset negative environmental impacts.
- d) Monitor and report on environmental management during design and implementation.
- e) Conduct strategic environmental assessment of the policies, programs, and plans when appropriate.
- f) Seek advice from environmental experts on any activities which are assessed as having, or likely to have a significant environmental impact.

Principle 3: Partner Housing Australasia shall disclose information transparently through the following –

- a) Use transparent accessible form and language to report environmental information based on internationally recognised methods (e.g., life-cycle analysis and/or ISO standards).

Principle 4: Partner Housing Australasia shall consult with stakeholders through the following –

- a) Conduct meaningful consultation with affected parties, including women and vulnerable groups. The consultations shall be free from external manipulation, interference, coercion or intimidation and provide information that is relevant, understandable and accessible to the affected people in a timely manner.
- b) Establish a grievance redress mechanism to receive affected parties' concerns and grievances on environmental performance and facilitate resolution.

Principle 5: Partner Housing Australasia shall work with partners through the following –

- a) Comply with environmental laws, standards and/or policies of the governments in the countries where the programs are based (e.g., Papua New Guinea and Solomon Islands).
- b) Build the capacity of Partner Organisations to develop and implement environmental governance frameworks as appropriate.
- c) Harmonise with international development partner environmental safeguard policy principles.

Principle 6: Partner Housing Australasia shall promote improved environmental outcomes through the following –

- a) Integrate environmental considerations into programs to reduce pollution and improve the sustainable use of resources including energy, forestry and water resources. (See details below)
- b) Promote the principles of ecologically sustainable development as outlined in the EPBC Act by ensuring aid activities address these principles.

In more detail –

Partner Housing Australasia shall ensure that all undertakings are environmentally sustainable, employing materials and practices that minimize environmental impact. Following is a list of the principal sustainability elements addressed in the Partner Housing Australasia programs.

- a) Greenhouse gas capture and storage, through consideration of –
 - greenhouse gas emission during building product manufacture (see further comments on use of timber); and
 - operational greenhouse gas emissions, through the minimization of heating and cooling energy. Depending on the climate, these will be commonly achieved through roof insulation and roof ventilation (respectively). Considerations can include the use of naturally occurring local materials as insulation.
- b) Soil erosion, as affected by both logging and replanting practices.
- c) Water quality, as affected by –
 - both logging and replanting practices;
 - siting latrines and septic tanks, particularly in respect of potable water sources;
 - effluent disposal (where applicable).

B3.4 Where relevant to its operations, the ANGO demonstrates compliance with DFAT's Displacement and Resettlement policy.

This indicator applies to ANGOs who are supporting activities funded by DFAT that result in the physical or economic displacement of people. This includes technical assistance supporting the design of development activities that requires land acquisition or restrictions on access to land or other natural resources. Where assessments reveal that projects and activities may result in physical or economic displacement, resettlement plans are required.

Partner Housing Australasia does not conduct programs in areas where people are displaced requiring resettlement.

Partner Housing Australasia does not conduct programs that result in the displacement of people from their homes, do not require land acquisition or restrictions on land access, and do not conduct programs causing a need for resettlement. Village community health and educational buildings and public water supply, reticulation and sanitation infrastructure are built on communally-owned village land, with the approval of the village communities.

Partner Housing Australasia shall monitor its programs to detect where there is any change to the circumstances, and shall review the policy annually.

B 3.5 ANGO can demonstrate approaches that will enhance sustainability.

Sustainability of the results or impacts of programs should be a fundamental principle in all development initiatives. Designs should include evidence of analysis of issues relating to sustainability and approaches or strategies that will enhance the sustained or enduring benefits or impacts of initiatives.

The Partner Housing Australasia Vision is – *“Partner Housing Australasia is an entirely voluntary organisation, which aims to transform the lives of people living in Asia-Pacific villages by improving the cyclone, earthquake and tsunami resistance of their houses, clinics, schools and community buildings; and by providing clean water supplies and hygienic sanitation.”*

Key to this policy is the wording – *“... aims to transform the lives of people living in Asia-Pacific villages ...”*.

This is achieved through a range of built infrastructure options, and the cross-cutting improvements that flow from that improved infrastructure. These include, but are not limited to –

- Increased health and safety are achieved through building that do not collapse under cyclonic wind, earthquake and/or tsunami.
- Increased health and education are achieved through the construction of community health buildings, educational buildings and the like.
- Improved community health is achieved through the construction and use of improved community water supplies and community sanitation.
- Improved living conditions are achieved for people, whose role is normally to fetch water (in many cases women and girls).
- Environmental harm is reduced by ensuring that construction is properly monitored in accordance with a strict environmental policy.
- There is an increase in local building and plumbing skills, through participation in the construction process, **vocational training and job growth.**

Partner Housing Australasia achieves sustainability in its programs by ensuring the following.

- Infrastructure Design Life - Built village infrastructure shall have an appropriate design life (unless agreed otherwise, 50 years for community health and educational buildings, and 25 years for water supply and reticulation, and 5 years for latrines).
- Environmental Impact – Built village infrastructure shall be constructed to have minimum environmental impact.
- Humanitarian Impact – Programs to provide built village infrastructure shall be designed to have minimum negative impact and maximum positive impact on humanitarian issues, including, but not limited to, gender issues, disability inclusion, and child protection).

B4: The ANGO can monitor, report and assess the effectiveness of activities.

This criterion seeks to verify an ANGO's approach to performance management by establishing that the ANGO is able to assess the effectiveness of development activities.

B 4.1 ANGO undertakes regular monitoring of initiatives/programs, analysing information to assess progress and constraints.

ANGO should be able to distinguish between the purposes and approaches to monitoring and evaluation. ANGO is expected to have established systems that enable it to track the progress and determine the effectiveness of the work of its partners and programs overseas. It must have systems that enable it to collect sufficient initiative/program information to analyse progress, identify constraints, make informed decisions and report to stakeholders. Monitoring and reporting are expected to reflect key project management and development principles, such as consideration of community empowerment, sustainability, gender, the environment (if relevant), financial accountability and risk management.

ANGO is expected to have developed its own monitoring and reporting tools and not rely on the ANCP reporting tools as its main form of monitoring. If an ANGO has adopted its partners' templates, it must show that key issues are addressed in those reports or that supplementary monitoring activities are undertaken to gain a comprehensive understanding of progress and effectiveness. Where this analysis and communication takes place in-country through field offices, the ANGO needs to demonstrate how it develops its own understanding and confidence in the quality of field level monitoring systems. There must be evidence that reports are read and critiqued and that there is communication between the ANGO and its implementing partners on progress, constraints and risks.

Partner Housing Australasia recognises the need for, and distinction between, –

- ***monitoring of programs (the systematic observation and reporting over a nominated time of the performance of programs and reporting against predetermined criteria); and***
- ***evaluation of programs, (the determination of whether the reported performance of programs meets the expectations for programs, as defined by predetermined criteria).***

Partner Housing Australasia undertakes regular ongoing monitoring of programs through –

- frequent targeted email communications with the managers of implementing Partner Organisations, including Vision for Homes (PNG) and South Ranongga Community Association (Solomon Islands); and
- annual management audits, conducted (where practical) in the location of the program implementation or (alternatively) as desk audits.

The annual management audit shall independently verify compliance against the stated performance criteria, and are intended (in part) to verify the veracity of the information communicated by email exchanges.

The information, thus gathered, is –

- analysed to determine the progress in program implementation and to recommend changes to counter any unforeseen constraints;
- considered in the context of key project management and development principles, including (but not limited to) community empowerment, sustainability, gender issues, environmental impact, financial accountability and risk management; and
- reported to the Board at each quarterly Board Meeting.

Partner Housing Australasia employs –

- a commercially available financial and accounting software package (e.g., Xero) to monitor and report finances, funding and expenditure to the Board at each quarterly Board Meeting;
- a customised MS Excel Workbook, designed specifically for the monitoring and control of the partners and programs, and to thus facilitate the compilation of reports (in standardised format) to each quarterly Board Meeting; and

- Checklists adapted from the program Strategic Plans, which effectively state the program performance criteria.

Management Audit records are in MS Excel files, retained in the permanent records.

Program monitoring reports are retained in the permanent records, in the minutes of each quarterly Board Meeting.

Email communications, between Partner Housing Australasia and the implementing partners (including Vision for Homes) and South Ranongga Community Association) on progress, constraints, risks, finances, code of conduct issues and other key information, are retained in the permanent records.

This policy must be read in the context of the following policies –

Policy No. B4.2a (Data Collection) and Policy No. B4.3a (Evaluation of Program Effectiveness).

B 4.2 ANGO is able to collect and report data to meet DFAT and other stakeholder requirements including the ANCP, in a timely manner.

ANGO and its partners should have robust and rigorous systems in place to collect, analyse and report data including the capacity to report against the ANCP MELF. This should apply to reporting to all stakeholders, including DFAT. In addition to assessing ANGO's M&E plans, internal data collection and reporting processes and reports to stakeholders, the review team will also be provided with past performance information from DFAT. For ANGOs new to accreditation, DFAT and the ANCP, they must be able to demonstrate the equivalent capacity to collect and report data against the ANCP MELF.

Partner Housing Australasia collects data relevant to its programs for village infrastructure construction and training, executed by the organisation and Partner Organisations in the South Pacific.

Collected data is of two types, contextual data from various published sources; and program outputs.

The information collected and processed can be reproduced in a variety of formats, including (but not limited to) the requirements of the Australian Tax Office (ATO), requirements of the Australian Council for International Development (ACFID), a format useful in the Annual Report, or to the requirements of the DFAT ANCP Monitoring, Evaluation and Learning Framework (MELF).

Partner Housing Australasia has the flexibility to report data in a variety of formats. The Organisation commits to presenting the data in the format required by any particular donor (including private donors, corporate donors, DFAT, overseas donors and agencies etc.) should this be a requirement for a particular grant and/or donation.

This policy must be read in the context of the following policies –

Policy No. B4.1a (Monitoring and Evaluation) and Policy No. B4.3a (Evaluation of Program Impacts).

B 4.3 ANGO conducts activity evaluations commensurate with activity size assessing results and effectiveness.

ANGO should be able to distinguish between the purposes and approaches to monitoring and evaluation. While monitoring tracks a project throughout implementation, evaluation is a distinct exercise that makes a judgment on the approach, methodology, outcomes and impacts of a project or program.

ANGO should demonstrate that it understands the difference between outputs, outcomes and impact. While an assessment of outcomes and impact may not be possible in the early stages of a particular project, there must be sufficient evidence from the ANGO's portfolio of activities that it has made substantial efforts to make such assessments over the life of an initiative or after its completion. Evaluation exercises for ANGOs seeking Base accreditation may be smaller and more limited than those for ANGOs seeking Full accreditation, but they must still demonstrate the ability to produce a qualified assessment of project outcomes.

Partner Housing Australasia recognises the need for, and distinction between,

- Outputs, the constructed physical village infrastructure (buildings, pipelines, standpipes, latrines etc.) and the training delivered through the programs;
- Outcomes, the short, medium and long-term changes achieved as a result of the “outputs” (resilient buildings, safe water supplies etc.); and
- Impacts, the overall long-term effects, best described in the Partner Housing Australia Vision Statement, “Partner Housing Australasia is an entirely voluntary organisation, which aims to transform the lives of people”

Note: More comprehensive descriptions are set out in “Definitions”.

Partner Housing Australasia undertakes the evaluation of its programs, to determine the effectiveness of the outputs (the constructed buildings, pipelines, standpipes, latrines etc. and the training programs) in achieving the specified outcomes (resilient buildings, safe water supplies etc) and resulting in the desired impacts (transformed safe, sustainable, healthy village life).

The information, gathered through the monitoring and auditing phase, is evaluated through the following process.

- It is analysed to determine the progress in program implementation and to recommend changes to counter any unforeseen constraints;
- It is considered in the context of key project management and development principles, including (but not limited to) community empowerment, sustainability, gender issues, environmental impact, financial accountability and risk management; and
- The resulting evaluation reported to the AGM.

The 5-Year Strategic Plans shall be updated annually with revised program evaluations, and adopted at each AGM.

This policy must be read in the context of the following policies –

Policy No. B4.2a (Data Collection) and Policy No. B4.1a (Monitoring and Evaluation).

C1: The ANGO has documented arrangements with partner organisations in countries where it works.

This criterion seeks to establish that the ANGO has documented, contractual frameworks in place to manage partnerships and initiatives.

The term 'partner' is used throughout Section C of the accreditation criteria. It is used to describe an entity with whom an ANGO collaborates on a particular initiative. The types and forms of relationships that ANGOs have with other entities vary widely. They could be anything from a local village community, to a research institute, a local civil society organisation, a local government ministry, a multi partner network internationally, or another international NGO. They may be informal networking and liaising arrangements or formal, contracted arrangements. New forms of partnership continue to evolve and this is an important part of innovative approaches to development cooperation. In accreditation, the onus rests with the ANGO to describe its relationships and arrangements with other entities with whom it collaborates, or partners, on particular initiatives.

The term 'implementing partners' is used within some criteria in Section C to refer to entities that the ANGO is working with to deliver a specific initiative. This implies that there would be a range of specific roles, responsibilities and obligations that would need to be agreed to and monitored. Where an ANGO is working through a related entity, such as a country office or international affiliate, these may still be considered 'implementing partners' if they have responsibility for an aspect of program delivery or oversight. Likewise, if a country office of an ANGO has devolved responsibilities for delivery or oversight with unrelated in-country entities, these entities would also be considered 'implementing partners'.

C1.1 ANGO and its implementing partners have authority to work in the countries where they work (through partnership agreements with Government, partnerships with local partners, or license to operate etc.)

It is expected that ANGOs that are operating or implementing activities in an overseas country have the acceptance and approval of local communities and stakeholders. This may be demonstrated in a range of ways – through an MoU with a local community or government authority, a formal registration process with government, or a partnership agreement with a representative community organisation. The onus is on the ANGO to determine the most appropriate way that it can ensure that it has local acceptance and approval to undertake activities. This will vary greatly depending on the nature of activities and local context.

This indicator is not intended to restrict or limit the operations of ANGOs, but in the spirit of local ownership and empowerment, seeks to assure that ANGOs seek appropriate local consent and support for their work overseas.

ANGOs who are undertaking DFAT funded activities in sensitive or 'Do Not Travel' countries as listed on the Smartraveller website are expected to show evidence of the prior approval of the proposed activity by an appropriate government authority. Countries where the delivery of aid programs may be sensitive include Pakistan, Palestinian Territories, West Papua or other countries where NGOs face significant risks or challenges.

Partner Housing Australasia and its implementing Partner Organisations shall foster a spirit of local ownership and empowerment, and ensure there is appropriate local consent and support for the programs.

Partner Housing Australasia shall ensure that implementing Partner Organisations have the appropriate government registrations, licences and/or authorities to operate in their countries.

Partner Housing Australasia shall ensure that implementing Partner Organisations have carried out the required stakeholder consultations, and have approval from the village communities to site any constructed infrastructure (buildings, water supply and reticulation, latrines etc.) in the proposed locations.

C1.2 ANGO has documented arrangements with partners.

In accreditation, the onus rests with the ANGO to describe its relationships and arrangements with other entities with whom it collaborates, or partners. The nature of partnerships may vary widely – from a relationship based commitment to work towards shared goals, to a transactional arrangement where an entity is contracted to deliver agreed services. Often, there is a mix of both within any one partnership.

Where the ANGO is partnering with an entity to deliver an initiative together, it is expected that the arrangements will be documented and reasonably comprehensive to suit the nature of the initiative, the source of funding for the initiative, and the roles and responsibilities of all partners. The documented agreement should set out the agreed objectives of the partnership and outline the roles, responsibilities, and obligations of each partner. ¹_{ISEP}

In some cases, the agreement will be a high-level memorandum of understanding or partnership agreement that is negotiated every three to five years, and in other cases, this agreement would be supplemented by more specific program or initiative focused agreements probably negotiated every year or for the defined period of the program or initiative. These 'initiative' level agreements are relevant where the partnership is tied to specific funds and timeframes. As well as outlining the roles and responsibilities of the partners, agreements should refer to reporting obligations, such as reporting timelines and requirements, acquittal certification requirements, and obligations to report incidents.

It is very important that agreements include provisions for managing performance and termination.

Agreements should be regularly reviewed and updated to account for changing requirements, and signed by partners to demonstrate their acceptance of and commitment to the agreement.

Partner Housing Australasia shall ensure that it has appropriate Memoranda of Understanding (MOUs) with the implementing Partner Organisations, including, but not limited to Vision for Homes (PNG) and South Ranongga Community Association (SRCA).

Such MOUs shall be signed by the authorised representatives of Partner Housing Australasia and the implementing Partner Organisations, to demonstrate their acceptance of, and commitment to, the agreement.

Such MOUs shall describe its relationships and arrangements with implementing Partner Organisations and (when appropriate) other entities with whom Partner Housing Australasia collaborates.

The MOUs shall include –

- a brief description of shared goals and objectives of the partnership;
- a brief description of expected outcomes;
- the roles, responsibilities, and obligations of each partner;
- the financial arrangements and obligations;
- the time period (5 years unless agreed otherwise);
- reporting obligations, timeline, acquittal requirements,
- commitment to PHA policies, including the DFAT and ACFIC Code of Conduct and incident reporting obligations; and
- performance management and termination provisions.

Existing MOUs shall be considered as part of the annual reviews of the corresponding 5-Year Strategic Plans, and reviewed and updated to account for changing requirements.

C1.3 DFAT contractual obligations are reflected in partner agreements that relate to DFAT funding.

The ANGO's contractual obligations to DFAT are set out in the 'ANCP Grant Agreement'. Where another entity is responsible for carrying out all or any part of an activity that is funded by DFAT, the ANGO needs to show that its obligations to DFAT are shared with that entity in a documented agreement signed by all parties. This also applies if DFAT funds are used to provide grants to third-party entities.

The contractual obligations that should be reflected in documented agreements with implementing partners should address as a minimum, Prohibited Dealings, Child Protection, Compliance with Laws and Policies, and Fraud.

For ANGOs who are working in association with entities within international affiliates or consortiums, they will need to show how DFAT contractual obligations are reflected in agreements and arrangements where DFAT funding is involved.

Partner Housing Australasia shall ensure that its signed Memoranda of Understanding (MOUs) with implementing Partner Organisations include mutual obligations to adhere to the DFAT 'ANCP Grant Agreement' requirements and ACFID Code of Conduct requirements, including, but not limited to, Prohibited Dealings, Child Protection, Compliance with Laws and Policies, and Fraud.

C1.4 ANGO can demonstrate that its partnership agreements are understood and accepted by its partners.

The ANGO needs to demonstrate that the agreements it has in place with partners are clearly understood by those partners. While signed copies of partnership agreements provide evidence that there is a commitment to the agreement, this indicator seeks evidence that there is communication between the partners about the content of the agreement. For example, if an agreement requires a partner to be bound by certain policies, there should be evidence that these policies have been provided to the partner. Evidence may include email or other written correspondence, meeting minutes, field trip reports, training records or workshop records. The ANGO may equally identify other evidence that satisfies this criterion.

Partner Housing Australasia shall ensure that its Memoranda of Understanding (MOUs) are understood and accepted by its partners.

Evidence of understanding may be achieved through a combination of the signing of the MOUs, in the context of ongoing discussion, email exchange on specific points and details, email confirmation of acceptance and understanding, annual audit trip reports, formal training records, and/or other appropriate evidence.

C2: The ANGO undertakes due diligence and assesses the capacity of its partner organisations.

This criterion seeks to establish that the ANGO takes a systematic approach to assessing the capacity and

C2.1 ANGO undertakes formal due diligence on all new partners.

Where an ANGO is partnering with other entities to work together, it is important that the ANGO has a sound knowledge of any risks associated with that entity, such as those associated with integrity, reputation, quality, finance and accountability. The process that is normally undertaken to develop an understanding of these risks is known as 'due diligence'.

ANGOs will be expected to demonstrate their due diligence process by sharing the tool they use to guide them to undertake a due diligence assessment, and examples of completed due diligence assessments. A due diligence process would normally look at legal identity, governance, organisational structure, values and objectives, checks against prohibited entities listings, implementation of key safeguarding and risk policies and practices, track record, and financial management.

Where an organisation is working with an associated organisation, such as a field office or another member of an international alliance, the way that the ANGO makes its assessment of partner risk may be different. Alternates to stand alone due diligence assessments might be an accreditation process against a set of standards, an internal audit that has good coverage of entity risks, or risk areas addressed in a broader capacity assessment process. The onus is on the ANGO to demonstrate how it has appropriate mechanisms to make its own assessment of new partners.

Partner Housing Australasia shall undertake formal due diligence on all new implementing or significant funding partners, including considerations associated with integrity, reputation, quality, finance and accountability.

This includes investigating legal identity, governance, organisational structure, values and objectives, checks against prohibited entities listings, implementation of key safeguarding and risk policies and practices, track record, and financial management.

C2.2 ANGO regularly assesses the capacity of its implementing partners including financial management, safeguarding practices and operational performance.

In addition to undertaking due diligence of a partner, ANGOs are expected to regularly assess the capacity of its partners in order to inform their decisions about resourcing and shaping the partnership – often resulting in targeted activities aimed at organisational strengthening. There are many areas relating to a partner’s values, approaches, strengths, capabilities, capacities and performance that will be relevant to a partnership and the delivery of an initiative or the achievement of a shared goal.

ANGOs will be expected to demonstrate its approach to assess the capacity of its partners. This may be undertaken in many different forms and ANGOs should not be expected to demonstrate this in any pre-determined way. Ideally, however, the ANGO should use a transparent, systematic approach, such as a standardised set of criteria or guidelines, to assess key aspects of partner capacity.

An assessment should be undertaken initially to determine the suitability of a new partner, and would usually cover a range of aspects of the partner organisation, such as its legal structure, integrity, philosophies and practices, and project and financial management capacities.

There should also be mechanisms for the ongoing assessment of partners. The type of assessment should reflect the role that the partner is expected to play. For example, if the partner is expected to implement a technical project, then the technical and management capacity of the partner would be assessed. Alternatively, if the partner is playing a role of coordination, then its capacity to establish and maintain networks would be assessed.

The review team will expect to assess a number of documented capacity assessments during the OR. There is no expectation that this criterion should limit the types of partners an ANGO is working with, even where capacity is limited.

Where an ANGO works with other entities within their international network and they adhere to a common set of standards and working practices, the ANGO needs to show evidence that it has an informed knowledge of those entities’ compliance with those standards and the general capacity of its in-country partners. It is not adequate for the ANGO to assume that an in-country entity is compliant simply by virtue of its membership of, or association with the same parent organisation.

Partner Housing Australasia shall regularly assess any potential implementing partners, including financial management, safeguarding practices and operational performance, legal structure, integrity, philosophies and practices, and project and financial management capacities.

Partner Housing Australasia shall review the suitability of existing implementing partners, as part of the annual review and adoption of the 5-Year Strategic Plans.

C2.3 ANGO ensures its implementing partners can differentiate between development activities and non-development activities.

This indicator is particularly relevant where ANGOs are partnering with organisations who undertake development and non-development activity. Where this is the case, ANGOs must be able to demonstrate that their partners separate their activities, account for funding for different types of activities. ANGOs must also be able to demonstrate communication with partners which shows an understanding of the difference between the different types of activities.

Non-development activities include welfare, political and religious activities – refer below for descriptions of each of these activities.

Political Activities

Political activities are defined as supporting a political party, candidate or organisation affiliated to a political party.

Examples include:

- *NGO staff being involved in party political activities;*
- *using funds or resources to facilitate or support a specific political party, candidate, or party political organisation in a local, regional or general / national election;*
- *using funds or resources to facilitate or support independence or separatist movements;*
- *using funds or resources to facilitate or support a particular politician or faction to gain power within a government or within a political party structure.*

Religious Activities

Religious activities are defined as supporting or promoting a particular religion, including activities undertaken with the intention of converting individuals or groups from one faith and/or denomination to another. Activities that build up religious structures (including infrastructure, training or organisational activities) are also considered religious activities, unless those structures are specifically designed to provide non-denominational development outcomes.

Welfare Activities

Welfare activities are defined as care and maintenance, which aims to maintain people in a particular condition on a longer-term basis. Substantial and broad impact on social and economic conditions in the community is not normally expected from welfare programs. Welfare may be provided to an individual or family basis including home-based and institutional care programs, such as those provided by orphanages, homes for the elderly, hospices and the provision of food for those who are destitute. Welfare activities are typically:

- *implemented independently of other sustainable community development activities;*
- *include no strategy for integration into broader community development programs;*
- *provided on an individual or family basis, rather than on a community basis, and are unconnected to emergency needs; and*
- *implemented on a long-term basis with no clear exit strategy.*

This does not imply any DFAT opinion about the value of welfare activities. The Australian Government provides grants under the ANCP for community development purposes only, and not for ongoing care and maintenance activities. NGOs are free to fund such activities using their own resources.

Partner Housing Australasia shall ensure that its implementing Partner Organisations do not undertake non-development activities.

To ensure that the implementing Partner Organisations are aware of the differences between development and non-development activities, Partner Housing Australasia shall ensure that this policy and procedures document is available and communicated to all partners.

Notes:

The Australian Government provides grants under the ANCP for community development purposes only, and not for ongoing care and maintenance activities. NGOs are free to fund such activities using their own resources.

C3.1 ANGO has taken the capacity of implementing partners into account in program design and delivery.

The ANGO should use the knowledge gained from its assessments of capacity to guide project design and management decisions. The review team will expect to see evidence that the ANGO has included either capacity-strengthening initiatives within projects or that it is designing projects commensurate with the capacity of its partners and itself. For example, an ANGO might determine that a partner organisation or group lacks experience in monitoring, and in response might provide additional support for monitoring or perhaps some training for the partner. Similarly, an ANGO might decide to limit the complexity of a project to align with existing capacities.

Partner Housing Australasia shall ensure that the financial, personal and skills capacities of the implementing Partner Organisations are factors considered in the design of infrastructure construction and training programs. Programs shall also aim to progressively increase these capacities of the partners.

C3.2 ANGO monitors and responds to the performance of its implementing partners, including implementation of policy requirements.

The ANGO must be able to demonstrate that it has processes and practice that enable it to monitor partner performance effectively. This is likely to be demonstrated through a range of ways including reports received and reviewed, regular communication, field monitoring, and periodic partner reviews or assessments. It is expected that monitoring would address implementation of initiatives as well as implementation of policy requirements.

The level of oversight of partners by ANGOs will vary depending on the capacity of the partner and the type of agreement in place. The onus is on the ANGO to demonstrate that in each partner arrangement, there is sufficient monitoring of the partner to provide the ANGO with a good understanding of partner performance. Similarly, the ANGO must be able to demonstrate that it responds to the performance of its implementing partners, through follow-up on identified issues, providing support in areas of weakness, and holding partners to account in areas of poor performance.

Partner Housing Australasia shall monitor and responds to the performance and implementation of policies by the implementing Partner Organisations.

Partner Housing Australasia shall monitor its partners performance in two main ways:

- regular email communications; and
- annual site visits/audits which use a checklist to consider technical audits of the building and engineering infrastructure under construction; the financial and human capacities of the Partner Organisation; and compliance with PHA Key Policies.

Partner Housing Australasia and implementing Partner Organisations shall agree the Key Policies, including safeguarding, that are documented in the MoU.

If an implementing Partner Organisations requests support, or detects a non-compliance with those key policies, through the monitoring methods noted above or other means, then Partner Housing Australasia shall raise a Noncompliance & Improvement Request Report, as specified in the ISO 9001-based quality management system. This will trigger Remedial Action to solve a particular problem, and a Corrective Action to revise policies or procedures.

C3.3 ANGO enables partners to provide feedback, raise complaints and receive a response through an effective, accessible and safe process.

... The expectation is that key stakeholders are able to raise complaints and receive a response through an effective, accessible and safe process.

Partner Housing Australasia shall actively seek feedback from the implementing Partner Organisations.

As part of its ISO 9001-based management system, Partner Housing Australasia shall raise Noncompliance & Improvement Request Reports, and thus trigger Remedial Action to solve particular problems, and Corrective Action to revise policies or procedures when requested by the implementing Partner Organisations.

Opportunities for the provision of feedback present during regular email communications and during the annual site visits/audits.

1.2 SECTION D COMMUNICATIONS

D1: The ANGO acknowledges and attributes Australian government support.

This criterion seeks to assess that ANGOs and its partners have commitment and capacity to comply with the ANCP/DFAT requirements to acknowledge Australian Government support.

D1.1 ANGO acknowledges and attributes the Australian identity and the support of the Australian Government, both in Australia and overseas.

If the organisation has received support from the Australian Government, it should be able to show examples of promotional or other materials which shows public recognition of the Australian identity and the support of the Australian Government in Australia and in countries where support has been provided. In some cases or contexts, this may not be appropriate – such as in highly political or sensitive contexts. The onus is on the ANGO to describe its approach and provide relevant evidence. If the organisation has not received Australian Government support before, the ANGO should be able to show evidence of having acknowledged and attributed the support of other donors, where such support has been received.

Partner Housing Australasia proudly acknowledges its Australian identity, through its name, its website, its letterhead and its other branding initiatives, used in Australia and overseas.

Partner Housing Australasia gratefully acknowledges donor organisations through its website and its other branding initiatives used in Australia and overseas. This includes acknowledgement of the Australian Government Department of Foreign Affairs and Trade (DFAT) in those cases where DFAT has provided grant funding.

D2: The ANGO provides accurate, timely and accessible information about the organisation, its objectives and its activities, in a manner that respects the dignity of recipient communities.

This criterion seeks to assess an organisation's commitment to transparency.

D2.1 ANGO and its partners share accurate, timely and accessible information with its stakeholders, including primary stakeholders.

The ANGO is expected to demonstrate how it shares key information with stakeholders. This includes both the organisation's Australian constituency, and the organisation's overseas partners and stakeholders. Evidence such as newsletters, promotional material and the distribution of an annual report can show that the ANGO's Australian community base is well informed about the organisation's activities.

The ANGO should also be able to show evidence of how it has provided appropriate levels of information to its partners and project stakeholders.

Partner Housing Australasia shall undertake effective communications with its Stakeholders in accordance with a comprehensive Communications Plan.

Partner Housing Australasia resolves to provide clear and consistent branding in all hard copy and electronic communications and signage, including those covered by contractual commitments.

In particular –

1. The orderly communication and recording of documents essential to the operation of the organisation, including policies, procedures, code of conduct, audit reports, risk assessments, annual reports, business papers, minutes, financial records, statutory documents and operational instructions; and
2. the creation and maintenance of a website, which:
 - Describes the organisation, promoting the various projects;
 - Facilitates the making of donations;
 - Meets the requirements of ACFID and DFAT in respect of Complaints Handling and Tax Deductibility; and
 - Makes technical manuals and training material available to engineers, architects, builders, partner organisations and other potential users of technical training and design material.
3. PHA shall not include images featuring children in any documents or on the website.
4. PHA shall only include photographs in documents or on the website of adults who have signed the Photo Release Form. Copies of signed forms shall be retained in the permanent records of the HR Manager, the CEO and the Communications Manager.
5. Digital copies of all emailed correspondence shall be retained by the CEO, and backed up to the permanent files.

D2.2 There is consistency between ANGO's activities and its promotional material.

Promotional material needs to accurately reflect the projects supported by the ANGO. Text and images should directly relate to the country, place, context and activities being supported by the ANGO and be an honest representation of the work being undertaken by the ANGO. Promotional materials should not seek to deceive or mislead the general public.

Partner Housing Australasia shall ensure that there is consistency between its activities and its promotional material. This consistency shall be achieved by consultation and liaison among the managers responsible for the operations and those responsible for preparing the website information and posts, the Annual Report and other promotional material.

Promotional material shall be informative, accurate, truthful and shall not be prone to misinterpretation, deception or otherwise mislead the general public. All text and images used in such material shall directly relate to the country, place, context and activities being supported, and shall be an honest representation of the work being undertaken by the Organisation.

D2.3 ANGO's promotional material respects the dignity, values, history, religion and culture of the people with whom it works.

When describing the context, components or beneficiaries of a project, the ANGO should ensure that the dignity and values of the people involved are respected. Its communications should promote partners and beneficiaries as active agents, and not as passive recipients of aid. ANGOs should avoid sensationalising the challenges faced in developing countries.

If the ANGO uses images of people involved in projects, it should gain their permission in a way that is culturally appropriate and contextually sensitive and ensure that they are aware of how the images may be used. Where images of children are included in public materials, these should comply with the ANGO's Child Protection Policy.

Partner Housing Australasia respects the dignity, values and culture of the people of our neighbouring countries. Both the Organisation and the Volunteers (who serve as Directors and Managers) value the friendships enjoyed for many years with the people of our Partner Organisations.

Partner Housing Australasia ensures that any articles, posts and promotional material are in the best interests of our partners, and the best interests of the people who may be identified within those documents. This includes ensuring that the description of the context, program components and beneficiaries are described with dignity, respecting the values of the people involved.

Our partner organisations and the beneficiaries, including Vision for Homes (PNG) and South Ranongga Community Association (Solomon Islands), are accorded the respect, dignity and recognition in all Partner Housing Australasia publications and communications as active agents, and not as passive recipients of aid.

Partner Housing Australasia programs recognises that, while conditions in remote villages of the South Pacific often differ from those experienced in urban Australia, they are places of great family coherence and dignity. This is recognised accurately and without exaggeration in promotional material.

Partner Housing Australasia shall not include images featuring children in any documents or on the website.

Partner Housing Australasia shall only include photographs in documents or on the website of adults who have signed the Photo Release Form, indicating that they are aware that their image may be used and how it is intended for use. Copies of signed forms shall be retained in the permanent records of the HR Manager, the CEO and the Communications Manager.

E1: The ANGO has effective financial management policies, systems and capacity.

This criterion seeks to establish that the ANGO has appropriate policies, systems and capacity in place to effectively manage its commitments and obligations to DFAT.

E1.1 ANGO has documented policies and procedures to account for funding.

The ANGO must be able to demonstrate that it has well-established systems and processes for:

The establishment of budgets, including their basis and authorisation

- The basis and source of assumptions used in proposal budgets should be realistic for the proposed activities (not inflated).*
- The adequacy, description and number of line items in budgets should be sufficient to ensure proper disclosure of expenditure for activities and for monitoring (e.g. identification of expenditure, over expenditure, trends and unauthorised activities).*
- Line item descriptions for project activity costs both in Australia and in country should be consistent, so that expenditure line items provide transparency and audit trails when consolidated.*
- For both line item descriptions and dollar amounts, budget line item changes for project activity costs should be properly identified and approved.*
- The delivery organisation budget proposals should have been scrutinised before consolidation into the overall project budget proposal.*

Receipting and recording of donations and grants

- Mail opening and payment receipt procedures should follow good internal control practices.*
- Payments received through the mail should be recorded in a remittance advice register.*
- Payments received electronically should be recorded in individual donor / grant management and ledger systems and should be reconciled on an appropriate basis, that is, daily, weekly or monthly.*
- Commonwealth funds provided by DFAT should be properly receipted and banked promptly.*
- An appropriate audit trail of all receipts, including for donations, should be maintained.*

Payments in Australia for project activity costs

- Procurement, travel approval and expenditure systems should be in place.*
- The good order, condition and quality of goods and services received should be verified before payment is processed.*
- Payments should be properly authorised.*
- Where electronic means cannot be used to identify invoices, invoices should be stamped 'Paid' after payment to prevent their resubmission.*
- Project expenditure transactions should be verified by supporting documentation and the acquittal statement when claimed against the contract.*

Funds transfers to implementing partners

- Evidence should exist that overseas transfers to partner and affiliate organisations have been properly authorised.*
- Advice to the implementing organisation of payments (including source documentation) should exist.*
- Evidence should exist of receipt of payment back to the ANGO (for example, a receipt or letter acknowledging funds received, including the conversion rate and local or hard currency (e.g. US\$) amount, if applicable).*
- The transfer of funds to the overseas organisation does not constitute an acquittal by the ANGO for acquittal statement purposes until the funds have been expended by the implementing organisation on the agreed activities.*

Procurement of project goods and services

- *Quotations should be obtained and documented for significant purchases where possible, and value-for-money principles should be followed.*

Cash management

- *Cash handling procedures should be adequate (among other things, the procedures should cover individual personnel responsibilities for cash; division of duties principles, where staffing resources permit; and approval processes for the use of cash for authorised activities).*
- *Petty cash advances should be properly controlled and held in a safe place.*
- *Petty cash advances should not be used for loans.*
- *Petty cash expenditure should be supported by documentation when acquitted.*
- *Handover/takeover procedures between implementing organisation personnel should be appropriate to deter fraud.*
- *Investments of surplus funds should be in cash or cash equivalent (before spending on DFAT-authorised activities or sending tranches overseas), and those funds should not be used for other purposes.*

Bank reconciliations

- *Bank reconciliations should be undertaken on a monthly basis where possible, be reviewed by a responsible officer, and be accurate and complete.*
- *Large and unusual reconciling items should be resolved promptly.*
- *Delivery organisation bank reconciliations or copies of bank statements should be requested from time to time to check unspent funds balances if monitoring visits are infrequent.*

Interest earned on DFAT funds

- *Where interest earned has to be estimated, the method of estimation should be stated.*
- *A transparent method should exist for the calculation of interest earned for funds provided by DFAT and its application and acquittal to the approved project activities.*

Progress reporting by the NGO and the delivery organisation

- *The ANGO has a procedure or system to monitor receipts of financial and narrative reports.*
- *The ANGO follows up overdue or outstanding reports.*
- *Reports are examined by the ANGO project officer and queries arising from the reports are followed up.*

Acquittal consolidation (the consolidation of the implementing organisation acquittal statement and the ANGO's Australia-based costs into the acquittal statement submitted to DFAT)

- *The process for consolidating project activity costs and acquittals incurred by the ANGO needs to be transparent. If the budget line items are complex, an intermediate spreadsheet showing the relevant expenditure by line item should allow consolidation and provide transparency and an audit trail.*
- *Evidence should exist that the ANGO has verified that the budget used in the implementing organisation acquittal is the most current approved/agreed budget.*
- *Unusual expenditure variances from the agreed budget line item should be scrutinised and followed up with the implementing organisation for explanation before submitting the acquittal or the amalgamated acquittal (which includes the ANGO acquittal expenditure) to DFAT.*

Acquittal reporting

- *Acquittal reporting should correctly disclose funds received from DFAT for the reporting period concerned.*
- *Reporting should show interest earned on DFAT project funds and applied to the activity for approved purposes under a revenue heading of 'interest earned' in the acquittal statement.*
- *Reporting should show actual expenditure by line item against the agreed budget line items.*
- *Reporting should provide explanations when line items exceed a 10% variation from the agreed budgets.*
- *All acquittals are to be on an accrual reporting basis.*
- *The wording of the acquittal certification to DFAT should be in accordance with the DFAT agreement and must be signed by a nominated ANGO delegate.*
- *Unspent funds, interest and exchange rate gains remaining after the provision of the completion report should be refunded to DFAT.*

Activity management documentation system

- *An adequate filing system for project management should exist for correspondence between DFAT and the ANGO; correspondence between the ANGO and the delivery organisation; narrative and financial progress reports and monitoring visit reports; and contractual and other legal agreements.*
- *The ANGO should have systems to track the provision of reports required under the contract.*

Partner Housing Australasia shall apply the following funding, finance, accounting and financial reporting policies and principles.

Operating Plan and Budget

Partner Housing Australasia shall prepare a 10-Year Operating Plan and Budget to be adopted annually by the Board, and presented to the AGM for adoption. The Operating Plan and Budget shall include:

- (a) An Annual Budget for the financial year commencing on 1 July for the next financial year.
- (b) A 10-year Financial Plan, including program goals, for the 10-year period, commencing on 1 July for the next financial year. The plan may cover a shorter period if considered appropriate by the Board, but not less than five-years
- (c) Projected annual income and expenditure, and the assumptions used to derive these values.
- (d) Notes setting out the assumptions used in proposal budgets, which are realistic for the proposed activities of the Organisation.
- (e) An annual resource development plan (land, money, volunteers and goods-in-kind)
- (f) The description in the line items shall facilitate ensure proper disclosure of expenditure for activities and for monitoring (e.g., identification of expenditure, over expenditure, trends and unauthorised activities).
- (g) Line-item descriptions for project activity costs shall be in Australian dollars. When income or expenditure is reported in foreign currency and in country, the Australian dollar amount shall be reported together with the exchange rate and transfer costs. This is to facilitate consistency, transparency and consolidated audit trails.
- (h) The Board the AGM shall both approve the Operating Plan and Budget, including line-item descriptions and dollar amounts, and any budget line-item changes for project activity costs.
- (i) The procedures shall facilitate comprehensive consultation amongst the responsible managers, and scrutiny before consolidation into the overall project budget proposal.

Receipting and recording of donations and grants

- (a) Partner Housing Australasia shall, whenever possible, require donations and grants be made as electronic bank transfers. Partner Housing Australasia shall also express a preference for email communication over hard copy mail. If hard copy payments or mail are delivered, mail opening and payment receipt procedures shall follow good internal control practices.
- (b) Payments received through the mail shall be recorded in a remittance advice register by the Finance Manager.
- (c) Payments received electronically shall be recorded in individual donor / grant management and ledger systems and shall be reconciled quarterly.
- (d) If received, Commonwealth funds provided by DFAT shall be properly receipted and banked promptly.
- (e) Partner Housing Australasia shall maintain an appropriate audit trail of all receipts, including for donations.

Payments in Australia for project activity costs

- (a) Partner Housing Australasia shall operate transparent and accurate accounting systems for procurement, travel approval and expenditure, and other program functions.
- (b) Partner Housing Australasia shall, to the extent that is practical, ensure the good order, condition and quality of goods and services received is verified before payment is processed. This is most likely not practical for goods that are ordered in Australia, but supplied from overseas.
- (c) Payments shall be properly authorised.
- (d) Partner Housing Australasia shall require invoices to be provided electronically (preferably as PDFs). Where electronic means cannot be used to identify invoices, invoices shall be marked 'Paid' after payment to prevent their resubmission.
- (e) Program expenditure transactions shall be verified by supporting documentation and the acquittal statement when claimed against the contract.

Funds transfers to implementing partners

- (a) Partner Housing Australasia shall provide evidence that overseas transfers to implementing Partner Organisations have been properly authorised.
- (b) Partner Housing Australasia shall provide email advice to implementing Partner Organisations of payments (including source documentation).
- (c) Partner Housing Australasia shall receive and retain acknowledgement of receipt of payment by the implementing Partner Organisation or supplier (for example, a receipt or letter acknowledging funds received, including the conversion rate and local or Australian currency).
- (d) Partner Housing Australasia shall obtain acquittal statements from implementing Partner Organisations.

Procurement of project goods and services

- Partner Housing Australasia shall obtain quotations for significant purchases where possible, and value-for-money principles shall be followed.

Cash management

- (a) Partner Housing Australasia shall encourage electronic banking and transactions (including purchases, payments and donations) in preference to transactions. Where cash transactions are the only practical means of payments (e.g., boat hire in Solomon Islands), cash handling procedures shall be such that there is clear accountability and monetary limits. Procedures shall cover individual personnel responsibilities for cash; division of duties principles, where staffing resources permit; and approval processes for the use of cash for authorised activities.
- (b) Partner Housing Australasia shall discourage the practice on making petty cash advances. If petty cash advances are made, they shall be traceable, controlled and held in a safe place.
- (c) Partner Housing Australasia shall not advance petty cash for loans.
- (d) Petty cash expenditure shall be supported by documentation when acquitted.
- (e) Handover/takeover procedures between implementing organisation personnel shall be appropriate to deter fraud.
- (f) Partner Housing Australasia shall encourage donations to be made by electronic bank transfer. When electronic transfers or cash donations are received, they shall be deposited in the Organisation's tax-deductible overseas donations bank accounts, until such time as they are required to be disbursed to implementing Partner Organisations. Investments of surplus funds shall be in cash or cash equivalent, before sending tranches overseas, for use on donor-authorized (including, but not limited to, DFAT-authorized) activities. Donated funds shall be used only for their intended purpose, and shall not be used for other purposes.

Bank reconciliations

- (a) The Responsible Officer shall carry out bank reconciliations on a monthly basis (where practical) and collated quarterly, for reporting to the quarterly Board Meetings. They shall be reviewed and verified as accurate and complete by the Responsible Officer.
- (b) The Responsible Officer shall promptly resolve the reconciliation of large and unusual amounts.
- (c) The Responsible Officer shall ensure that the implementing Partner Organisations' bank reconciliations or copies of bank statements are requested from time to time to check unspent funds balances.

Interest earned on DFAT funds

- (a) Partner Housing Australasia shall invest funds in bank accounts and bank term deposits that yield a known and declared interest rate, which is the maximum commensurate with prudent risk minimisation. Where interest earned has to be estimated, the method of estimation and assumed rate shall be stated.
- (b) Partner Housing Australasia shall ensure a transparent method is used for the calculation of interest earned for funds provided by donors (including, but not limited to DFAT) and its application and acquittal to the approved project activities.

Progress reporting by the NGO and the delivery organisation

- (a) Partner Housing Australasia has a procedure or system to monitor receipts of financial and narrative reports.
- (b) Partner Housing Australasia follows up overdue or outstanding reports.
- (c) Reports are examined by Partner Housing Australasia Regional Managers and queries arising from the reports are followed up.

Acquittal consolidation (the consolidation of the implementing Partner Organisation acquittal statement and Partner Housing Australasia's Australia-based costs into the acquittal statement)

- (a) Partner Housing Australasia shall ensure that the process for consolidating program activity costs and acquittals is transparent, including (if necessary) spreadsheets which show the relevant expenditure by line item and allow consolidation, thus providing transparency and an audit trail.
- (b) Partner Housing Australasia shall retain evidence that it has verified that the budget used in the implementing Partner Organisation acquittal is the most current approved/agreed budget.
- (c) Partner Housing Australasia shall scrutinise and follow up unusual expenditure variances from the agreed budget line item with the implementing Partner Organisation, for explanation before submitting the acquittal or the amalgamated acquittal (which includes Partner Housing Australasia acquittal expenditure) to a donor (including, but not limited to DFAT).

Acquittal reporting

- (a) Partner Housing Australasia shall correctly disclose and provide an Acquittal Report for funds received from donors (including, but not limited to DFAT) for the reporting period concerned.
- (b) Acquittal Reporting shall show interest earned on program funds provided by donors (including, but not limited to DFAT), and applied to the activity for approved purposes under a revenue heading of 'interest earned' in the acquittal statement.
- (c) Acquittal Reporting shall show actual expenditure by line item against the agreed budget line items.
- (d) Acquittal Reporting shall provide explanations when line items exceed a 10% variation from the agreed budgets.
- (e) All acquittals are to be on an accrual reporting basis.
- (f) The wording of the acquittal certification to donors (including, but not limited to DFAT) shall be in accordance with the donor agreement and must be signed by a nominated Partner Housing Australasia Manager.

- (g) Unspent funds, interest and exchange rate gains remaining after the provision of the completion report shall be refunded to the donors (including, but not limited to DFAT).

Activity management documentation system

- (a) Partner Housing Australasia shall ensure an adequate filing system for each program (and component project); including correspondence between donors (including, but not limited to DFAT) and Partner Housing Australasia; correspondence between Partner Housing Australasia and the implementing Partner Organisations; narrative and financial progress reports and monitoring visit reports; and contractual and other legal agreements.
- (b) Partner Housing Australasia shall have systems to track the provision of reports required under any contract or MOU.

Financial Reporting and Control

- (a) The Partner Housing Australasia Board shall meet at least four (4) times per year, once in each quarter at such place and time as the Board may determine.
- (b) Each Board meeting shall consider and deliberate the reports and financial statements related to the previous quarter, shall approve the expenditure and other banking transactions during the quarter.
- (c) The August Board Meeting shall consider and deliberate the draft Annual Financial Report and recommend it to be sent to the Auditor for auditing.
- (d) The December Board Meeting shall consider and deliberate the audited Annual Financial Report and recommend it to be sent to the AGM for adoption.
- (e) The December AGM shall consider, deliberate and adopt the audited Annual Financial Report.

E1.2 ANGO has financial systems controlling general ledger and project ledgers.

Each project should have a discrete ledger account in which all project expenditure is recorded. The project accounts should generally be recorded as a liability within the general ledger and should identify the receipt and expenditure of the funds separately within the recipient's accounting records so that at all times the funds are identifiable, traceable and ascertainable. Adequate journal entry controls should exist (e.g. pro forma journal entry input sheets, sequential allotment of journal entry numbers, journal approvals, adequate journal narrations and backup documentation).

Partner Housing Australasia shall use commercially available accounting software (e.g., Xero) to control its accounting and financial transactions and records.

Such accounting software shall include –

1. General ledger
2. Program ledgers (including differentiation between derivative projects if appropriate). Each program shall have a discrete ledger account in which all program expenditure is recorded. The program accounts shall be recorded as a liability within the general ledger and should identify the receipt and expenditure of the funds separately within the recipient's accounting records so that at all times the funds are identifiable, traceable and ascertainable; and
3. Adequate journal entry controls (e.g., pro forma journal entry input sheets, sequential allotment of journal entry numbers, journal approvals, adequate journal narrations and backup documentation).

E1.3 ANGO has documented delegation and authorisation levels for personnel, including cheque signatories.

The ANGO's financial systems should include clear delegations of authority which establish who is able to make decisions and to take action on behalf of the organisation. Typical examples of activities that may rely on delegated authority can range from signing contracts that commit the agency to significant expenditure, to approving leave or petty cash payments.

The ANGO should maintain an accurate and up to date list of authorised cheque signatories and electronic payment approvers across all payment locations.

Partner Housing Australasia shall ensure that it has clear, documented delegations and authorisation levels for personnel, including payment approvals, banking transaction authorisations, and cheque signatories.

Partner Housing Australasia shall define clear delegations of authority which establish who is able to make decisions and to take action on behalf of the organisation, and an accurate and up to date list of authorised cheque signatories and electronic payment approvers across all payment locations.

Further detail of such delegation is set out in the Procedures section of this document.

E1.4 ANGO has a clear segregation of duties between procurement, authorisation of supplier invoices and the authorisation of payment.

Segregation of duties is critical to effective internal control as it reduces the risk of both erroneous and inappropriate actions. In general, the approval function, the accounting/reconciling function, and the asset custody function should be separated among employees and/or volunteers. This can be challenging for smaller organisations that have only a few staff or rely on volunteers. When these functions cannot be separated, a detailed supervisory review of related activities is required as a compensating control activity. In some cases, Board members may be required to perform review functions if the size of the organisation makes segregation between staff roles difficult. Segregation of duties is a deterrent to fraud because it requires collusion with another person to perpetrate a fraudulent act.

Partner Housing Australasia shall clearly define authorities such that there is clear segregation of responsibilities and authorities between –

- Procurement of goods and services,
- approval of supplier invoices for payment, and
- the authorisation of payment through the banking system.

Partner Housing Australasia shall obtain audited financial statements, consistent with the requirements of the ACNC and ACFID Code of Conduct. The financial audit shall be performed by an auditor who is independent from management and directors and ensures that the NGO's financial statements are made objectively.

Refer to Policy No E1.5 for Auditing Policies and Procedures.

The following details (reproduced from Policy No E1.3a) provide more detail –

Authority to Procure Goods and Services

The Regional Managers (PNG), the Regional Manager (Solomon Islands) and South Pacific Development Manager have the authority to procure goods and services for the PNG, Solomon Islands and other South Pacific programs respectively.

The other Directors have the authority to procure goods and services related to their own area of responsibility.

Before any goods or services are ordered, the Responsible Officer shall obtain quotations. If there is any doubt as to the price or delivery, or if it is outside the approved budget, more than one quotation shall be obtained.

Authority to Approve Expenditure

See also Policy No E1.4a.

Before expenditure of funds are expended (payment of invoices, outgoing donation or transfer of funds to international partners), the Expenditure Approvals shall be obtained. The Expenditure Approval may be in the form of an email by the approving parties. The following authorities to approve each expenditure, donations, transfers, establishment of new payees are granted.

Expenditure that may be made by personal cash, personal credit card, cheque

Expenditure (including petty cash) made by personal cash, personal credit card, cheque up to \$500 in any one payment and not more than \$ 3,000 in any year – Any Director, provided the CEO or Finance Manager is notified in advance, and approves the payment by email reply. This is effectively an Approval as described below.

Any claim for reimbursement shall be made before the next scheduled Board Meeting.

Expenditure that must be made by Partner Housing Australasia cheque or bank transfer

- (a) Expenditure up to \$ 6,000 in any one payment and up to \$ 20,000 in any year – Responsible Director + another Director ... OR Level (b) below –
- (b) Expenditure up to \$ 60,000 in any one payment and up to \$ 100,000 in any year – Responsible Director + President/CEO ... OR Level (c) below –
- (c) Expenditure in excess of \$ 60,000 in any one payment and unlimited in any year – Board approval of the budget (or majority of Directors) + Responsible Director + President/CEO

Responsible Officers

- The Responsible Director for an overseas project is the Regional Manager for that project.
- The Responsible Director for Australian administration costs is the Administration Manager.
- The Responsible Director for ACFID costs is the Professional Services Manager.
- If the CEO is unavailable, the Professional Services Manager may assume the appropriate responsibility.
- Except through Board Meetings, the personnel “operating” the bank accounts (i.e., Finance Manager and the HR Manager) are not normally involved in the “Expenditure Approval Process”.

Conditions on the Expenditure Approval Process

To initiate the transfer of funds to implementing Partner Organisations for projects (already approved in principle by resolution at a Board Meeting, AGM or EGM), the Regional Manager shall send an email both requesting and approving the transfer of funds to Partner Organisations.

A second Director (usually the CEO) shall also approve the transfer, before it is executed.

For the Solomon Islands Account, three directors are required, since one is normally involved in the bank transfer authorisation.

The invoice payment approval process, procedures and templates are set out in Policy No E3.4a.

Additional expenditure resulting from fluctuations in the international exchange rate, up to 10% of an amount previously approved by the Board, may be approved without first obtaining further Board approval.

the Regional Manager shall execute the transfer of additional funds (up to 10% of the amount previously approved for particular projects), for legitimate unforeseen circumstances such as movements in the exchange rate or unavoidable extra work. This request must be approved jointly by the Regional Manager, Finance Manager and CEO.

Conditions on the Banking Authorities

The Finance Manager and the HR Manager are not normally part of the Expenditure Approvals Process and therefore may be Authorising parties for bank transfers.

If the Finance Manager is unavailable, the Human Resources Manager or Administration Manager may assume the appropriate responsibility, provided they have not been one of the expenditure-approving parties.

If the CEO is unavailable, the Professional Services Manager may assume the appropriate responsibility.

Notes on Preparing Transfers

The Finance Manager shall execute the following –

- Obtain the relevant receipts from the Partner Organisations on payment.
- Receive and file such receipts in a manner suitable for audit.
- Advise the Board of such transfers at the next Board meeting.
- Transfer of Funds to Overseas Suppliers
- When preparing a Westpac international payment, refer to the Foreign Exchange Rates published daily by Westpac on the website.
- As the exchange rates change daily, the daily rate that applies will only last a limited time; and will normally expire before 6 pm. Therefore, there is a time constraint from setting up a payment to approval of payment – all have to be done within the same day.
- For any large amount of payment, e.g., AUD \$5,000 or over, Partner Housing Australasia uses Compass Global to transfer funds overseas.
- Obtain an acknowledgement of the receipt of the transferred funds, including the conversion rate, bank transfer fees, and local currency amount;
- Obtain an acquittal of funds expenditure for the designated purposes.

E1.5 ANGO produces audited financial statements.

ANGOs must be able to show that they have audited financial statements, consistent with the requirements of the ACNC and ACFID Code of Conduct. The purpose of an audit is to form a view on whether the information presented in the financial report, taken as a whole, reflects the financial position of the organisation at a given date. It must be undertaken by an auditor that is independent from management and directors; so that the assessment of the NGO's financial statements are made objectively.

Partner Housing Australasia shall ensure that the Annual Accounts and Annual Financial Statement are audited by an independent qualified auditor, consistent with the requirements of the DFAT ACNC rules and the ACFID Code of Conduct. The Auditor shall be independent from the Directors and Managers, such that the assessments are made objectively.

E1.6 ANGO has appropriate procedures and practices to control funds sent overseas.

The ANGO should have established systems and procedures that ensures that any overseas transfers have been properly authorized, that advice of payments (including source documentation) is made to overseas organisations, that it receives a receipt or letter acknowledging funds received, including the conversion rate and local currency amount. These systems should also include an acquittals process for all funds expended by the overseas organisation on the agreed activities.

Partner Housing Australasia shall ensure that, when transferring funds overseas, the following policies, procedures and practices are followed.

The transfer of funds shall be properly approved and authorised, in accordance with the process set herein, and reproduced from Policy No. E1.4.

This process involves –

1. Receipt of an appropriate invoice for –
 - the payment of goods and service to an overseas supplier, or
 - the transfer of donated funds for to an implementing Partner Organisation;
2. Determination of the appropriate exchange rate and transfer costs;
3. Approval to transfer the funds, including the completion and email distribution of the designated approval form;
4. Authorisation within the banking system, thus executing the funds transfer;
5. Obtaining an acknowledgement of the receipt of the transferred funds, including the conversion rate, bank transfer fees, and local currency amount;
6. Acquittal of funds expenditure for the designated purposes.

E1.7 ANGO has the financial human resource capacity to effectively manage its commitments and obligations to DFAT.

The ANGO will need to demonstrate that it has a sufficient number of staff or access to expertise with the right financial skills to provide financial management, oversight and reporting that fully satisfies expected or current commitments and obligations to DFAT. The mix of financial personnel will depend on each ANGO and context but should be informed by the needs of the organisation. For small ANGO's this may only be 1 or .5 of an EFT resource. However, the ANGO should have a nominated person responsible for the financial management requirements of the ANGO. It is also expected that staff with financial responsibilities will be supported and reviewed by senior management.

Partner Housing Australasia shall include on its Board, a qualified and experienced accountant, to act as its Treasurer.

Consistent with the Partner Housing Australasia philosophy, that all Directors (Board Members) shall assume active roles in the probono management of the Organisation, the Treasurer shall assume the management role of Finance Manager.

Partner Housing Australasia shall provide its Finance Manager with the resources necessary to fulfil the specified function. Such resources shall include access to a commercially available accounting software package (for example, Xero), access to a MS Excel workbook to suit the needs of the Organisation, and a comprehensive electronic and hard-copy filing system.

When appropriate, the Finance Manager shall be assisted in the specified tasks by the CEO and the HR Manager

E1.8 ANGO has the absorptive capacity to meet matching ratio requirements to effectively program and manage the level of ANCP funding provided or anticipated in the next FY.

The ANGO should maintain an appropriate level of reserves sufficient to fund operational requirements in accordance with organisational policy requirements.

An estimation of the ANGO's likely allocation as an accredited organisation should be made and an assessment made as to whether the organisation is able to provide a matching financial allocation of 20%. This provides an indication of whether the ANGO is likely to be able to meet matching ratio requirements under the ANCP.

Partner Housing Australasia shall demonstrate its ability to meet matching ratio requirements to effectively program and manage the level of funding contribution, required by donors (including, but not limited to DFAT ANCP), provided or anticipated in the next financial year. Evidence shall include a level of reserves, sufficient to fund operational requirements and organisational requirements.

E2: The ANGO assesses, monitors and strengthens the financial management capacity of its implementing partners and affiliates to ensure they have the capacity and commitment to undertake activities in a professionally competent manner with regard to financial operations.

This criterion seeks to establish that the ANGO assesses, monitors and strengthens the financial capacity of its partners and affiliates.

E2.1 ANGO's financial systems provide the necessary detail to effectively monitor expenditure in a timely manner.

Accredited ANGO's monitor and manage partners and affiliates expenditure through different approaches, either primarily through their own financial accounting system or outside of their accounting system through appropriate financial budget, acquittal and reporting templates (usually excel based). Whilst the approach undertaken is often dependent on the size of the ANGO, its partners and their financial capacity, the ANGO must be able to demonstrate it receives transparent financial information of sufficient detail and integrity on a timely basis, to enable it to effectively manage and monitor the expenditure of its project activities.

Partner Housing Australasia shall ensure that its financial systems, and those of its Partner Organisations, provide timely detail, sufficient to effectively monitor and control program expenditure. This shall be achieved by methods appropriate to the particular program, including –

1. Direct grants to the implementing Partner Organisation (supported by financial acquittals and inspection of the partners accounts); and/or
2. A combination of direct grants to the implementing Partner Organisation (supported by financial acquittals and inspection of the partners accounts) and direct payments to selected overseas suppliers of goods and services (monitored through the Partner Housing Australasia accounting system).

Notes:

At the date of adoption of this policy, the PNG program (with Vision for Homes) is based on the first method, and the Solomon Islands program (with the South Ranongga Community Association) is based on the second method.

In more detail –

Partner Housing Australasia uses frequent email exchanges with partners to monitor the programs, a Xero accounting software package to record all financial transactions, a customised MS Excel workbook to prepare and record program budgets (including for specific projects), and customised MS Excel workbooks DANCER and VILLAGE AQUA) to design and cost standardised buildings and water or sanitation projects (respectively).

These are used to receive transparent financial information of sufficient detail and integrity on a timely basis, to effectively manage and monitor the expenditure of the program and project activities, including to monitor the program expenditure, record acquittals and to monitor the ability of the implementing Partner Organisations to complete the programs.

The standard cost within the customised MS Excel workbooks DANCER and VILLAGE AQUA) are regularly updated from the line items for individual projects within the program financial acquittals, and these standard costs are used for future budgets for proposed projects. The comparisons are prepared by senior management and are available to the managers. Significant variances are reported, considered and noted in the customized MS Excel workbooks.

E2.2 ANGO undertakes regular assessment of the financial and risk management systems and capacity of implementing partners (fiduciary assessment) before contracting.

Accredited ANGO's who provide funds to partners are expected to have a comprehensive understanding of their partner's financial management capacity. There are a variety of ways in which an organisation will be able to demonstrate this understanding. For example, an annual external audit by a reputable firm of qualified accountants will provide some evidence in this regard. The scope of the external audit can be expanded at the request of the ANGO to examine certain systems, projects or partners as a specific system audit or acquittal certification. One normal output of an annual external audit is a management letter that raises concerns and areas for improvements. The ANGO should ask for such a letter as part of the audit.

In addition to audits, many ANGOs undertake their own 'financial systems assessments' of implementing partners before entering into a contractual partnership arrangement, and then later as part of regular monitoring visits. Evidence of the results of such assessments and the follow up to address any concerns should be provided to the review team. The use of self-assessment checklists of key controls by partners is common, but should not be relied on exclusively and should be followed up with other mechanisms on a cyclical basis. Deficiencies in internal controls revealed in spot checks or reviews by ANGO personnel should be reported to the chief accounting officer of the ANGO and to the ANGO's governing body where appropriate.

ANGOs who are part of global networks will often rely on systems and processes in respect to capacity assessments undertaken by global internal audit or other assurance or global functions. These ANGOs should ensure that they can demonstrate appropriate evidence of receipt and review of these capacity assessments and the monitoring and follow up of any issues or deficiencies noted.

Partner Housing Australasia shall carry out an annual fiduciary assessment of implementing Partner Organisations, considering the financial and risk management systems, and organisation capacity.

Fiduciary assessments shall consider whether the implementing Partner Organisations have the financial capacity and the management and labour capacity, necessary to complete the next stage of the program, a verifiable reputation for honesty and reliability, government registrations, governance, policies and procedures, and the requisite building skills. The fiduciary assessments shall make clear recommendations regarding the continuation (or otherwise) of the current programs; and should provide the names of persons whose advice has been sought in making the recommendations.

Partner Housing Australasia has designed and funded programs for, and worked closely with, Vision for Homes (PNG) since 2010, and with South Ranongga Community Association (Solomon Islands) since 2013. As a result, Partner Housing Australasia has an intimate and comprehensive understanding of their partner's financial management capacity. Partner Housing Australasia shall work closely with these organisations to rectify any deficiencies that may be detected.

E2.3 ANGO regularly receives and reviews project acquittals from implementing partners.

It is expected that an ANGO receives detailed financial reporting from its partner organisations. Where an ANGO has not received funding from DFAT in the past, reporting processes should demonstrate the capacity to comprehensively account for DFAT funds. ANGOs systems will be assessed to show that:

- *Acquittal reporting correctly discloses funds received from DFAT for the reporting period concerned.*
- *Reporting shows interest earned on DFAT project funds and applied to the activity for approved purposes under a revenue heading of 'interest earned' in the acquittal statement.*
- *Reporting shows actual expenditure by line item against the agreed budget line items.*
- *Reporting provides explanations when line items exceed a 10% variation from the agreed budgets.*
- *All acquittals are on an accrual reporting basis.*
- *The wording of the acquittal certification to DFAT is in accordance with the DFAT agreement and is signed by a nominated NGO delegate.*
- *Unspent funds, interest and exchange rate gains remaining after the provision of the completion report is refunded to DFAT.*
- *The process for consolidating project activity costs and acquittals incurred by the ANGO needs to be transparent. If the budget line items are complex, an intermediate spreadsheet showing the relevant expenditure by line item should allow consolidation and provide transparency and an audit trail.*
- *The ANGO has verified that the budget used in the implementing organisation acquittal is the most current approved/agreed budget.*
- *Unusual expenditure variances from the agreed budget line item are scrutinised and followed up with the delivery organisation for explanation before submitting the acquittal or the amalgamated acquittal (which includes the NGO acquittal expenditure) to DFAT.*

Partner Housing Australasia shall annually receive and review detailed program acquittals from implementing Partner Organisations.

The following requirements apply to donated funding, for which the donor requires financial acquittals to be provided as a condition of the donation.

- a) Annual acquittal reports shall disclose:
 - Funds received from donors;
 - Interest earned on donor project funds and applied to the activity for approved purposes (under a revenue heading of 'interest earned');
 - Actual expenditure by line item (against the agreed budget line items); and
 - Explanations when line items exceed a 10% variation from the agreed budgets.
- b) Acquittals shall be reported on an accrual basis.
- c) Acquittal certifications shall be in a format agreed with the donor
- d) Acquittal certifications shall be signed by the nominated Partner Housing Australasia representative.
- e) Unless agreed otherwise in the contract (or MOU) covering the donation of funds, any unspent funds, interest and exchange rate gains remaining after the provision of the completion report shall be refunded to the donor.
- f) The consolidation of project activity costs and acquittals (within the broader context of the programs) shall be transparent, and shall provide an audit trail.
- g) Partner Housing Australasia tracks funding and expenditure using the Xero accounting package, but also provides more detail using MS Excel workbooks, where appropriate, to show the relevant expenditure by line item.
- h) A budget, used for an acquittal, shall be the most current agreed budget.
- i) Unusual expenditure variances from the agreed budget line items shall be scrutinised and followed up with the implementing Partner Organisation for explanation, before submitting the acquittal or the amalgamated acquittal (including Partner Housing Australasia acquittal expenditure) to the donor.

Note: Donor means an organisation of individual that has donated funds for an agreed purpose of funding development programs. In this document, potential donors may include DFAT.

E2.4 ANGO monitors and responds to the financial management performance of its implementing partners.

The ANGO can demonstrate appropriate evidence of regular communication and discussion around financial management of implementing partners, which should include:

- *Evidence of preparation, review and approval of activity budget, often through emails or minutes of skype conversations;*
- *Explanations of significant budget to actual variations, significant over or underspends or delays in project expenditure activities;*
- *Explanations for significant delays in project reporting;*
- *Discussion and remediation of any identified internal audit or review issues; and*
- *Any performance management issues with partner staff.*

Partner Housing Australasia shall closely monitor the financial management practices of implementing Partner Organisation and their financial performance of the programs.

Partner Housing Australasia managers shall communicate regularly with the implementing Partner Organisation managers by email and other methods, as appropriate, to discuss implementation of the project.

Partner Housing Australasia shall use the DANCER Building System MS Excel workbook and the VILLAGE ACQUA MS Excel workbook to prepare, review and approve activity budgets. Recorded project costs (and financial acquittals) shall be reviewed, and compared to the standardised costs in the design workbooks. Significant variations shall be explained, and (if appropriate) the standardised costs shall be amended.

Other performance issues and delays shall be reported and investigated.

Partner Housing Australasia shall prepare Strategic Plans for each program and provide training, which include the building of financial and skills capacities of implementing Partner Organisations.

E2.5 ANGO assesses that implementing partners have practices in place to facilitate the prevention, detection and investigation of fraud.

The ANGO can demonstrate appropriate evidence of discussion and review around practices in place to facilitate the prevention, detection and investigation of fraud, which could include:

- *Evidence of review and approval of partner fraud prevention policy;*
- *Conducting fraud prevention training or assessing the adequacy of a partners own training;*
- *Understanding the key controls in place to mitigate fraud; and*
- *Assistance in conducting appropriate fraud investigations.*

Partner Housing Australasia shall ensure that implementing Partner Organisations have policies, procedures and practices for the prevention, detection and investigation of fraud.

Partner Housing Australasia commitment includes:

- the provision of training,
- the initiation of discussions to facilitate the prevention,
- detection and investigation of fraud,
- the review and approval of the Partner Organisations' fraud prevention policies (included in the relevant MOU),
- reviewing the Partner Organisation key controls for the mitigation of fraud; and
- assisting with appropriate fraud investigations, should the need arise.

Partner Housing Australasia shall ensure that any fraud and suspected fraud associated, with the implementing Partner Organisations, is reported through the ISO 9001-based "Nonconformance Reporting" procedures, in accordance with Policy No A2.4a.

Partner Housing Australasia shall ensure that whistle blowers are afforded protection, in accordance with Policy No A2.4a.

In more detail, the following policies (consistent with Policy No E3.7a) provide further detail on policies specific to fraud prevention, detection and investigation, relevant to implementing Partner Organisations –

- a) Partner Housing Australasia and its Partner Organisations shall ensure that the personnel responsible for raising funds, accepting donations and executing international programs are trained in the relevant aspects of anti-fraud, anti-corruption and anti-money-laundering laws and practices.
- b) Partner Housing Australasia and its Partner Organisations shall report any suspected fraud, corruption or money laundering to the appropriate police force and any other appropriate government instrumentality, including AUSTRAC.
- c) Partner Housing Australasia and its Partner Organisations shall dismiss any person, (Volunteer, Staff or Contractor) suspected of fraud, corruption or money laundering, and shall report them to the police.
- d) Partner Housing Australasia and its Partner Organisations shall refuse assistance or donation from organisations or person who is convicted (or reasonably suspected) of fraud, corruption or money laundering.
- e) At each Board Meeting, Directors shall declare any conflict of interest or potential pecuniary gain. If such conflicts of gains exist, that person shall not participate in any deliberations on the matters. See also Policy No A1.2.
- f) In the case of donations exceeding AUD \$ 10,000 (or the local equivalent, PGK 25,000 or SBD 60,000), Partner Housing Australasia (on behalf of its Partner Organisations) shall take steps to ensure that they are not an unwitting participant in fraud, corruption or money-laundering. This shall include the following.
 - Consult an experienced certified anti-money-laundering specialist (who has particular experience in government requirements and anti-money laundering) to carry out the necessary due diligence and to undertake rigorous checks.
 - Consult the appropriate part of the DFAT website
 - If there is any doubt as to the integrity of the donor or donation, consult AUSTRAC.
- g) Before accepting exceeding AUD \$ 10,000 (or the local equivalent, PGK 25,000 or SBD 60,000), Partner Housing Australasia and its Partner Organisations shall enter in to a Memorandum of Understanding (MOU) with any Donor. The MOU shall have a sufficient cooling off period to allow the appropriate checks to be carried out.
- h) The conditions of acceptance of any donation shall include (but are not limited to):
 - There must be an agreed MOU and subsequent Contract with the Donor, which spells out in detail the responsibilities and authorities, together with the specification of project deliverables.
 - Partner Housing Australasia must have control of donation expenditure, within the limitations of the MOU and Contract.
 - Partner Housing Australasia (through its consultants) must control the construction; and
 - Partner Housing Australasia shall only accept a donation if it meets these requirements.
- i) Partner Housing Australasia shall ensure that its accounts are audited annually by a qualified and experienced auditor.
- j) Implementing Partner Organisations shall submit annual acquittals for the expenditure of all donations and grants made by Partner Housing Australasia.

Refer also to Policy No. A2.1a, Policy No. B2.5a, Policy No. E2.5a, Policy No. E1.5a and Policy E3.7a.

E3: The ANGO has effective policies, systems and practices to manage financial risk.

This criterion seeks to establish that the ANGO has the policies, systems and practices required to assess, report & escalate, mitigate and manage financial risk including risks relating to fraud, corruption, terrorism financing, and overseas expenditure.

E3.1 The ANGO conducts assessments of financial risks particular to its operating context.

The ANGO should be able to show evidence that it has a documented financial risk assessment process in place and that they regularly review their risks, particularly when there are significant changes to the focus or scope of the activities of the ANGO.

Partner Housing Australasia shall prepare and review annual financial risk assessments and appropriate financial risk mitigation strategies annually. These shall consider the principal programs undertaken, or proposed to be undertaken, by the Organisation.

Refer also to Policy No. E3.3a for consideration of the risks originating from the activities of the implementing Partner Organisations.

E3.2 The ANGO provides regular financial reports and financial risk reports to its governing body.

The ANGO needs to be able to demonstrate evidence of a track record of regular financial reporting and financial risk reports to its oversight committees and the governing body. Ideally financial reports should be monthly and financial risk reporting may occur monthly or quarterly and in some cases for smaller ANGOs, annually. Where risk reporting occurs less frequently, i.e. annually or quarterly, the ANGO need to be able to demonstrate an appropriate risk escalation reporting process.

Partner Housing Australasia shall provide financial reports to the Board at each quarterly Board Meeting and financial risk reports to each February Board Meeting.

The Audit & Risk Committee (a sub-committee of the Board) shall investigate and report its findings to each April Board Meeting.

Partner Housing Australasia shall employ an ISO9001-based system for reporting and escalating financial risk that is deemed by the Management or Board to be outside the levels adopted in the most recent risk assessments.

In more detail –

- a) During the preparation of each annual budget and 10-Year Financial Plan, consideration shall be given to the quantum or any donation during the previous period, to the likelihood of repeat donations, and to the financial acquittals of the transferred amounts.
- b) Financial statements consisting of a detailed Income statement, a Balance Sheet, a listing of all payments made from the main bank account and each project bank account shall be submitted to each quarterly submitted to the Board Meeting.
- c) The Audit & Risk Committee, consisting of three Board members who are not directly involved in financial matters, shall review financial and risk reports, and shall report to each April Board Meeting. The review shall cover the Board's effectiveness in meeting its obligations in governance, financial management, financial auditing, risk assessment, compliance with the key policies, nonconformance reporting, corrective action, and remedial action.
- d) Partner Housing Australasia does not currently conduct a regular fund-raising program, leading to the following policies –
 - All major grants to implementing Partner Organisations are made from reserves. The amounts are approved in advance at an AGM in the 10-Year Financial Plan. Their transfers to the implementing Partner Organisations are reported to the next quarterly Board Meeting and to the next AGM. In these cases, financial acquittals are required and provided.

- When major negotiated donations or grants are given to PHA, they are in response to an MOU (or contract) and are directed to specific projects by the donors. In such cases, the corresponding bank transfer is made in accordance with the MOU arrangements. The Board is notified by email and at the next quarterly Board Meeting and to the next AGM. In these cases, financial acquittals are required and provided.
- When unsolicited donations are given to PHA, they are usually directed to specific projects by the donors. In such cases, the corresponding bank transfers are made as soon as possible, and the Board is notified by email and at the next quarterly Board Meeting.

E3.3 The ANGO undertakes periodic assessments of financial risk of its implementing partners.

The ANGO should be able to demonstrate that it either undertakes, or ensures that periodic assessments of the financial risks of its implementing partners are undertaken. These may be undertaken by appropriately qualified ANGO staff, independent providers or global network or alliance assurance functions.

Partner Housing Australasia shall prepare and review annual financial risk assessments and appropriate financial risk mitigation strategies annually associate with the activities of the implementing Partner Organisations.

E3.4 The ANGO has documented agreements with implementing partners for the management and use of funds.

The ANGO is expected to have appropriately documented agreements in place with all implementing partners to which they provide funds. These agreements should address the management and use of the funds and well as all relevant financial compliance obligations including fraud mitigation obligations and reporting, financial acquittal reporting and terrorism financing.

Partner Housing Australasia shall ensure that, for each program undertaken by Partner Housing Australasia, there is an appropriate 5-year MoU signed by all parties.

These MOUs shall include –

- models for the funding and financial management of the programs,
- the constitution of the implementing Partner Organisations,
- the shared code of conduct key policies (including, but not limited to the detection and elimination of fraud, terrorism financing and money laundering, child protection, privacy and other policies), and
- other details necessary for the implementing of the programs.

The procedures set out in Policy No. 3.5a for the managing foreign currency exchange issues shall also be implemented.

E3.5 The ANGO has a foreign currency exchange policy for limiting rate movement exposure.

While the operating philosophy and financial goals of each ANGO will vary, an effective policy statement for the day-to-day management of foreign exchange risk will establish risk thresholds and outline guidelines for control and reporting requirements.

Partner Housing Australasia shall limit its exposure to financial losses due to movements in foreign exchange rates. This shall be achieved through the following strategy –

- a) All funding commitments to implementing Partner Organisations shall be expressed in Australian currency (AUD).
- b) Whenever possible, Partner Housing Australasia shall accept donations in Australian currency (AUD).
- c) These donations shall be held on deposit in Australian currency (AUD) in an Australian interest-bearing bank account, until required for transfer to the implementing Partner Organisation.
- d) Where possible, such transfers shall be carried out in a way that minimises the number of intermediate currency conversions.
- e) The conversion rates and all associated bank charges shall be recorded with the transaction approval documentation.
- f) All approvals and transaction authorisations shall be in accordance with the procedures.
- g) If an overseas donor wishes to make a donation in an overseas currency, the donation shall be –
 - donated directly from the donor to implementing Partner Organisation's bank account (i.e., the donation is not to Partner Housing Australasia), or
 - converted to Australian currency (AUD) and be held on deposit in Australian currency (AUD) in an Australian interest-bearing bank account, until required for transfer to the implementing Partner Organisation, in a way that minimises the number of intermediate currency conversions; or
 - if possible, held on deposit in the donor's currency in an Australian interest-bearing bank account, until required for transfer to the implementing Partner Organisation, in a way that minimises the number of intermediate currency conversions;

The interest earned, bank transfer fees charged and the conversion rates of all transaction shall be recorded and reported, together with the amount of original currency and amount in received currency.

In all cases, donations shall be scrutinised to guard against potential fraud or money laundering.

E3.6 The ANGO has appropriate insurance policies (e.g. public liability).

The ANGO is expected to have appropriate insurance policies in place that are commensurate with the risk profile of the organisation's activities. This should include as a minimum, public liability insurance with a limit of at least \$5 million for each and every claim which covers: loss of, or damage to, or loss of use of any real or personal property; or personal injury to, illness (including mental illness) or death of any person.

Partner Housing Australasia shall ensure that it is covered by the following insurance policies –

- Association Liability Insurance, including public liability cover of at least \$ 5 million in any one claim, covering loss of, or damage to, or loss of use of any real or personal property; or personal injury to, illness (including mental illness), or death of any person;
- Travel Insurance (to be obtained by the Volunteer who is travelling overseas on behalf of Partner Housing Australasia. The cost of this insurance will be refunded on request; and
- Professional Indemnity Insurance (to be obtained by consultants [including Quasar Management Services Pty Limited] who carry out professional services on behalf of Partner Housing Australasia).

ANTI FRAUD & CORRUPTION

E3.7 The ANGO has policies, systems and practices in place to facilitate the prevention, detection and investigation of fraud and the prevention of corruption.

The ANGO is expected to have processes and systems to effectively prevent, detect and investigate fraud and prevent corruption. This will usually be met by the ANGO having sound financial management systems, including clear segregation of duties, delegations of authority, documented financial policies and procedures, sound internal controls and clear reporting and review mechanisms.

- a) Partner Housing Australasia and its Partner Organisations shall facilitate the prevention, detection and investigation of fraud and the prevention of corruption.
- b) Partner Housing Australasia shall have a Public Risk Insurance with a limit of at least \$ 5 million for each and every claim which covers: loss of, or damage to, or loss of use of any real or personal property; or personal injury to, illness (including mental illness) or death of any person.
- c) Partner Housing Australasia and its Partner Organisations is committed to playing its part in fighting fraud, corruption and money laundering, wherever it may occur.
- d) Partner Housing Australasia and its Partner Organisations shall ensure that staff to report suspicions of fraud
- e) Partner Housing Australasia and its Partner Organisations shall provide guidance on fraud prevention, detection, or investigation.
- f) Partner Housing Australasia and its Partner Organisations shall facilitate the reporting of fraud and suspected fraud through the ISO 9001-based “Nonconformance Reporting” procedures, in accordance with Policy No A2.4a.
- g) Partner Housing Australasia and its Partner Organisations shall ensure that whistle blowers are afforded protection, in accordance with Policy No A2.4a.

In more detail –

- a) Partner Housing Australasia and its Partner Organisations shall ensure that the personnel responsible for raising funds, accepting donations and executing international programs are trained in the relevant aspects of anti-fraud, anti-corruption and anti-money-laundering laws and practices.
- b) Partner Housing Australasia and its Partner Organisations shall report any suspected fraud, corruption or money laundering to the appropriate police force and any other appropriate government instrumentality, including AUSTRAC.
- c) Partner Housing Australasia and its Partner Organisations shall dismiss any person, (Volunteer, Staff or Contractor) suspected of fraud, corruption or money laundering, and shall report them to the police.
- d) Partner Housing Australasia and its Partner Organisations shall refuse assistance or donation from organisations or person who is convicted (or reasonably suspected) of fraud, corruption or money laundering.
- e) At each Board Meeting, Directors shall declare any conflict of interest or potential pecuniary gain. If such conflicts of gains exist, that person shall not participate in any deliberations on the matters. See also Policy No A1.2.
- f) In the case of donations exceeding AUD \$ 10,000 (or the local equivalent, PGK 25,000 or SBD 60,000), Partner Housing Australasia (on behalf of its Partner Organisations) shall take steps to ensure that they are not an unwitting participant in fraud, corruption or money-laundering. This shall include the following.
 - Consult an experienced certified anti-money-laundering specialist (who has particular experience in government requirements and anti-money laundering) to carry out the necessary due diligence and to undertake rigorous checks.
 - Consult the appropriate part of the DFAT website
 - If there is any doubt as to the integrity of the donor or donation, consult AUSTRAC.

- g) Before accepting exceeding AUD \$ 10,000 (or the local equivalent, PGK 25,000 or SBD 60,000), Partner Housing Australasia and its Partner Organisations shall enter in to a Memorandum of Understanding (MOU) with any Donor. The MOU shall have a sufficient cooling off period to allow the appropriate checks to be carried out.
- h) The conditions of acceptance of any donation shall include (but are not limited to):
- There must be an agreed MOU and subsequent Contract with the Donor, which spells out in detail the responsibilities and authorities, together with the specification of project deliverables.
 - Partner Housing Australasia must have control of donation expenditure, within the limitations of the MOU and Contract.
 - Partner Housing Australasia (through its consultants) must control the construction; and
 - Partner Housing Australasia shall only accept a donation if it meets these requirements.
- i) Partner Housing Australasia shall ensure that its accounts are audited annually by a qualified and experienced auditor.
- j) Implementing Partner Organisations shall submit annual acquittals for the expenditure of all donations and grants made by Partner Housing Australasia.
- k) Partner Housing Australasia shall adopt the following program funding and administration practices, aimed at detecting and minimising fraud –
- a. Providing standardised designs, costed bills of quantities and standardised cost estimates for materials, labour and overheads for all programs funded (or partially funded) by Partner Housing Australasia. This enables close scrutiny of expenditure.
 - b. Monitor and report to the Board quarterly the financial performance and construction outcomes of each program.
 - c. Where necessary (such as major purchases for the Solomon Islands water reticulation program), Partner Housing Australasia shall pay directly the suppliers of materials, components and transport Labour and minor costs are re-imbursed on receipt of invoices which are reviewed by the Partner Housing Australasia Regional Manager and approved in accordance with the delegation of authority.

Refer also to Policy No. A2.1a, Policy No. B2.5a, Policy No. E2.5a, Policy No. E1.5a and Policy E2.5a

PREVENTING TERRORISM FINANCING

E3.8 ANGO has a policy to prevent terrorism financing.

Australian law prohibits the financing and support of terrorism, with offences applying under the Australian Criminal Code Act 1995 (Cth) and the Charter of the United Nations Act 1945 (Cth) and associated regulations. Offences can attract penalties of up to life imprisonment and can apply extra-territorially (that is, in addition to conduct that occurs in Australia, they can apply to conduct that occurs outside Australia). The ANGO is expected to have a documented policy outlining the systems, processes and practises in place to manage the risk of terrorism financing in its operations. This may be a stand-alone policy, or part of a broader policy addressing fiduciary risks.

1. Partner Housing Australasia and its Partner Organisations shall ensure that their activities do not contribute in any way to, either directly or indirectly, to the spread of terrorism or civil unrest.
2. Partner Housing Australasia and its Partner Organisations shall not participate in political activism, terrorism or civil unrest.
3. The Organisation shall not participate with organisations involved in political activities or the like, or any organisation that could be that could be associated directly or indirectly with terrorism or civil unrest.

Notes:

“Australian law prohibits the financing and support of terrorism, with offences applying under the Australian Criminal Code Act 1995 and the Charter of the United Nations Act 1945 and associated regulations. Offences can attract penalties of up to life imprisonment and can apply extra-territorially (that is, in addition to conduct that occurs in Australia, they can apply to conduct that occurs outside Australia).” (Source: DFAT)

Consistent with DFAT provisions *“The ANGO is expected to have a documented policy outlining the systems, processes and practises in place to manage the risk of terrorism financing in its operations. This may be a stand-alone policy, or part of a broader policy addressing fiduciary risks”*, this policy and associated procedures are part of a suite of policy documents dealing with associated matters.

E3.9 ANGO has systems and processes in place to verify that it and its implementing partners undertake terrorism screening (frequency should be commensurate with the risk context).

The ANGO is expected to demonstrate that a systematic process is used to confirm that the ANGO and implementing partners routinely screen their partners for terrorism associations. Where the risk of diversion of funds to terrorist organisations has been assessed as low, this must include at a minimum checking partners against lists of prohibited terrorist organisations under Australian law and the Consolidated List of Australian-sanctioned individuals and entities. Where the risk has been assessed as medium or above, in addition to checking the lists, additional checks should be undertaken as part of the due diligence process and repeated on a routine basis. In some cases, the ANGO will request its partner to provide entity details to it so that it can undertake the required vetting and screening processes. In other cases, the ANGO will request its partner to undertake all necessary vetting itself. In both cases, the expectation needs to be clearly communicated and the ANGO needs to have made an assessment of how its partners will fulfil the expectation. It should be noted that there is not an expectation that direct beneficiaries would be screened against the listings, but that any sub-partner or contractor that receives Government funds has been screened.

Partner Housing Australasia shall systematically annually screen partners and their personnel for terrorism associations.

Given that the Partner Housing Australasia only operates where the risk of diversion of funds to terrorist organisations is negligible or low (see Policy No. E3.11a), the process shall be to check partners and their personnel against lists of prohibited terrorist organisations and individuals using the “Consolidated List of Australian-sanctioned individuals and entities” under Australian law.

Partner Housing Australasia shall obtain the relevant entity details from partners, to enable the required vetting and screening processes.

E3.10 ANGO has systems to support implementing partners have necessary controls in place to prevent terrorism financing.

In addition to ensuring that an ANGO's partners are not associated with terrorism, there is a requirement to demonstrate that best endeavours have been undertaken to ensure that the ANGO's partners do not provide support to any individuals or organisations associated with terrorism. This may be demonstrated through evidence of risk and financial management capacity assessment and building, partner awareness raising or training, and appropriate clauses in partner agreements. Evidence of communication with partners regarding processes relating to counter terrorism is required.

Partner Housing Australasia shall ensure that it has appropriate risk management systems in place to prevent funds going directly or indirectly to individuals or organisations associated with terrorism.

In particular –

- Partner Housing Australasia shall monitor the accounts of its partners (including Vision for Homes [PNG] and South Ranongga Community Association [SRCA]) to ensure that they do not participate in, or provide finance for, political activity, terrorism or civil unrest.
- Memoranda of Understanding with partners (including Vision for Homes [PNG] and South Ranongga Community Association [SRCA]) shall include specific clauses ensuring that they do not participate in, or provide finance for, political activity, terrorism or civil unrest.
- Partner Housing Australasia shall provide anti-terrorism training for partners (including Vision for Homes [PNG] and South Ranongga Community Association [SRCA]).

Notes

A formal qualitative and quantitative Risk Analysis (including appropriate mitigations) is carried out in compliance with Policy No E3.11a and a due-diligence check is carried out for each Partner Organisation in accordance with Policy No E3.9a.

E3.11 ANGO has appropriate risk management systems in place to prevent funds going directly or indirectly to individuals or organisations associated with terrorism.

ANGOs should demonstrate an understanding of the level of risk that their organisation may be exposed to in relation to terrorism financing, and where risk is evident, treat the risk appropriately. The ANGO needs to demonstrate how they analyse and treat the increased risk of terrorism financing, in particular where they:

- *operate in regions where terrorist activity is known to occur or terrorist organisations are known to operate;*
- *use alternative remittance services or pay for goods or services in cash rather than using formal financial mechanisms (such as electronic funds transfers);*
- *are not able to provide direct oversight over programs or projects.*

The risk of terrorism financing should be reflected in the enterprise risk management framework and project specific risk management plans. The ANGO should demonstrate an understanding of terror financing risk at all levels of the organisation. ANGO initiatives where the risk of terrorism financing is assessed as medium or above should address the risk in project design, monitoring and reporting.

Partner Housing Australasia shall ensure that it has appropriate risk management systems in place to prevent funds going directly or indirectly to individuals or organisations associated with terrorism. The following policies shall apply

- A formal Risk Analysis and due diligence shall be carried out for each Partner Organisation (or as soon as practical in the case of existing Partner Organisations), including a formal quantification of relative risk and the appropriate mitigation.
- Partner Housing Australasia shall only operate in regions where the risk of financing terrorism is judged to be negligible or low.
- Each program shall incorporate a risk management framework, financial controls and monitoring that effectively prevent fraud, corruption, money laundering and financing of terrorism.
- Partner Housing Australasia Regional Managers shall provide direct oversight to funded programs.
- Partner Housing Australasia shall not remit cash to individuals or organisations.
- Partner Housing Australasia shall ensure that personnel who have responsibility for disbursing funds have training in the mechanisms of fraud, corruption, money laundering and financing of terrorism and the risk in project design, monitoring and reporting.

The following passages provide context for this Training Package, and should be consulted for background and context.

Turn off the “Read Aloud” option for this part of the training package.



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Revisions

Q230101-PHAPolicies Training-1 PHA Policies + DFAT ANCP Criteria and Guidance	1 January 2023
General revision to align with DFAT requirements	