

Type of Review: Annual Review

Project Title: WaterAid Programme Partnership Arrangement (PPA)

Date started: 01 April 2012 **Date review undertaken:** 10 September 2013

Instructions to help complete this template:

Before commencing the annual review you should have to hand:

- *the Business Case or earlier project documentation.*
- *the Logframe*
- *the detailed guidance (How to Note)- Reviewing and Scoring Projects*
- *the most recent annual review (where appropriate) and other related monitoring reports*
- *key data from ARIES, including the risk rating*
- *the separate project scoring calculation sheet (pending access to ARIES)*

You should assess and rate the individual outputs using the following rating scale and description. ARIES and the separate project scoring calculation sheet will calculate the overall output score taking account of the weightings and individual outputs scores:

Description	Scale
Outputs substantially exceeded expectation	A++
Outputs moderately exceeded expectation	A+
Outputs met expectation	A
Outputs moderately did not meet expectation	B
Outputs substantially did not meet expectation	C

Introduction and Context

What support is the UK providing?

The UK, through the Department for International Development (DFID), is investing in a 3 year Programme Partnership Arrangement (PPA) with WaterAid UK between 2011 and 2014. An investment of £ 4.200,410 for each year has been agreed. This type of strategic investment can leverage much greater impact than traditional project funding by playing a key role in shaping how WaterAid UK uses its non-DFID resources.

What are the expected results?

The results that this investment is expected to deliver are:

In 23 countries in Africa (19) and Asia (4) WaterAid will:

- promote and secure poor people's rights and access to safe water, improved hygiene and sanitation (4.5 million people gaining access to water resources with a further 7.1 million gaining access to improved sanitation).
- support governments and service providers in developing their capacity to deliver safe water, improved hygiene and sanitation (potential to reach a further 100 million people through their influencing work)
- advocate for the essential role of safe water, improved hygiene and sanitation in human development
- further develop as an effective global organisation recognised as a leader in the field of water, Sanitation and Hygiene issues by making improvements in fundraising and development of finance, monitoring and Human Resources systems.

What is the context in which UK support is provided?

Civil society plays a vital role in supporting citizens to improve their lives. Civil Society Organisations are central to delivering services, enabling citizens to be more active in their own development and ensuring that policies benefit ordinary people – especially the poorest.

To achieve DFID's priorities, as set out in its Business Plan (Structural Reform Plan), a multi-sectoral and multi-pronged approach to delivery is required, one in which CSOs, along with governments and the private sector, play a pivotal role in helping poor people to improve their lives.

The PPA is one of DFID's main support mechanisms to CSOs. In line with a commitment by the Secretary of State to support another round of PPAs and following a robust selection process and implementation of a Resource Allocation Model, partners were identified for a 3 year PPA which began in April 2011.

Section A: Detailed Output Scoring

Output 1: Develop and promote equitable and sustainable water and hygiene sanitation services that are accessible, appropriate and affordable, ensuring these can be replicated and adapted in the 27 African and Asian countries where WaterAid works.

Output 1 score and performance description:

A+ : Outputs moderately exceeded expectation

Progress against expected results:

Good progress has been made with WaterAid with greater numbers than expected gaining access to safe water; Country Programmes (CPs) demonstrating inclusive representation and WaterAid learning and/or research documents contributing to internal and sector effectiveness.

PROGRESS AGAINST INDICATORS		
Indicator	Milestone 12/13	Actual Achievement
1.1 Number of people who have access to safe water as a result of our direct investments with and through partner organisations	At least 1,490,000 people	1,714,906 people (disaggregated data can be found in WaterAid's PPA annual report)
1.2 Number of people who have access to sanitation services (improved and unimproved) as a result of our direct investments with and through partner organisations.	At least 2,340,000 people	2,208,765 people
1.3 Evidence of WaterAid supported work demonstrating inclusive representation and participation of community members in the planning and implementation and use of services.	At least 9 CPs report strong evidence of significant participation	13 CPs reported strong evidence (5 some)
1.4 Number of WaterAid learning or research documents produced to contribute to internal programme and sector effectiveness.	5 learning and research documents	15 learning and research documents

Recommendations:

Based on the success of this reporting period, we agree that the 2013/2014 milestone for Indicator 1.1 should be increased. WaterAid have been given feedback on indicator 1.4 to encourage them to think reflectively about how they demonstrate the impact and uptake of the learning/research documents if possible and how those documents support the organisation internally and the sector in general.

Impact Weighting (%): 40%

Revised since last Annual Review? No

Risk: Medium

Revised since last Annual Review? No

Output 2: To ensure and improve the effectiveness and sustainability of our service delivery by scaling up monitoring and review process.

Output 2 score and performance description:

A++: Outputs substantially exceeded expectation

Progress against expected results:

The output milestones have been exceeded for the reporting period. Embedding the Post-Implementation Surveys (PIMS) across CPs and using ICT technology innovatively has allowed WaterAid CPs to produce significant information that is supporting both monitoring and learning.

PROGRESS AGAINST INDICATORS		
Indicator	Milestone 12/13	Actual Achievement
2.1 Number of CPs carrying out post-implementation surveys (PIMS) to assess functionality, sustainability and use of water and sanitation facilities and hygiene practices.	At least 6 post implementation monitoring Surveys (PIMS) by CPs (at least four full)	13 PIMS
2.2 Number of in-depth evaluations including elements of joint technical reviews of the effectiveness of the technical aspects of service delivery carried out and followed up on in CPs.	At least 3 evaluations will be carried out.	7 evaluations

Recommendations:

After discussions with WaterAid on how mobile data was collected or how it played a greater part in data collection, we are clearer on how this impacts on the results. We discussed the need to provide more detail in future reporting to ensure clarity of reporting.

Impact Weighting (%): 10%

Revised since last Annual Review? No

Risk: Low

Revised since last Annual Review? No

Output 3: To assist poor communities to demand their rights to water, hygiene and sanitation

Output 3 score and performance description:

A: Outputs met expectation

Progress against expected results:

Greater progress has not been made here in terms of quantity. However, WaterAid are shifting the focus of this output from measuring the quantity of partnerships to measuring the quality of the partnerships which should better measure the impact of the partnerships themselves.

PROGRESS AGAINST INDICATORS		
Indicator	Milestone 12/13	Actual Achievement
Number of partnerships with networks supported to focus on WASH issues.	43 partnerships with networks across all CPs.	43 partnerships and networks across all CPs.

Recommendations:

The annual report detailed an achievement here of 40 partnerships (milestone not met) however WaterAid have clarified and the actual achievement was 43. This anomaly was due to an error in the calculation of partnerships.

We have agreed that this indicator can be removed for Year 3 and measuring the impact and value of the partnerships would be better included in indicators focussing on influencing, learning and capacity building.

Impact Weighting (%): 10%

Revised since last Annual Review? No

Risk: Medium

Revised since last Annual Review? No

Output 4: Support governments and service providers in developing their capacity to deliver safe water, improved hygiene and sanitation

Output 4 score and performance description:

A+: Outputs moderately exceeded expectations

Progress against expected results:

WaterAid have progressed well against this indicator exceeding the numbers of partners benefitting from WaterAid capacity building interventions. As we move into Year 3, WaterAid are systematically moving from qualitative to quantitative reporting and this should provide additional benefits for next year's report.

PROGRESS AGAINST INDICATORS		
Indicator	Milestone 12/13	Actual Achievement

4.1 Number of partners including local/district government to benefit from WaterAid's capacity building interventions.	At least 314 partners receiving capacity building support from CPs	559 partners (465 government and 94 CBO/CSOs)
4.2 Number of CPs in Africa supporting sector level planning, coordination and performance monitoring.	14 African CPs	14 African CPs

Recommendations:

We have discussed with WaterAid the need to ensure that examples are contextualised and explanations provided to demonstrate why they are typical or best practice examples. This would lead to more robust reporting. WaterAid are currently considering if this output should remain the same.

Impact Weighting (%): 20%

Revised since last Annual Review? No

Risk: Medium

Revised since last Annual Review? No

Output 5: To advocate for the essential role of safe water, improved hygiene and sanitation in human development

Output 4 score and performance description:

A++: Outputs substantially exceeded expectations

Progress against expected results:

WaterAid have progressed well throughout this reporting year with particular success noted at indicator 5.3 where 13 countries have effectively followed up on the commitments from the HLM.

PROGRESS AGAINST INDICATORS		
Indicator	Milestone 12/13	Actual Achievement
5.1 Number of CPs engaging with development actors working on health policy or programmes	At least 2 Regions are engaging with development actors working on health policy or programmes	18 CPs from 4 regions
5.2 WaterAid Flagship Report for WASH produced with participation and contributions from CPs.	At least 26 CPs contributed financing data to WASHwatch.org	26 CPs contributed some data

<p>5.3 Number of countries in Africa and Asia with established Sanitation and Water for All (SWA) Compacts as a results of WaterAid’s support</p>	<p>A minimum of 3 additional countries in Africa and Asia effectively followed on commitments at HLM towards participating in national planning processes through SWA</p>	<p>13 countries followed up on commitments with contribution of WaterAid</p>
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Recommendations:

There are no recommendations to amend the milestones. We have discussed with WaterAid the need to ensure that examples are contextualised and demonstrate if they are typical or best practice. Analysis should also be provided on how the different levels of engagement are assessed. This will ensure more robust reporting in future.

Impact Weighting (%): 20%

Revised since last Annual Review? No

Risk: Low

Revised since last Annual Review? No

Section B: Results and Value for Money.

<p>1. Progress and results</p>
<p>1.1 Has the logframe been updated since last review? Yes</p> <p>1.2 Overall Output Score and Description: A+: Outputs moderately exceeded expectation</p> <p>1.3 Direct feedback from beneficiaries</p> <p>Beneficiary feedback at a proximate level is routinely collected as part of CP’s annual review process. This is an opportunity where CP staff jointly work with partner staff in reviewing</p>

progress and feeding back to each other. The focus is on the technical delivery of activities towards a project aim; however it creates a forum for two way feedback to improve better working between organisations. As well as being fundamental to building good relationships, it generates learning to improve effectiveness. Learning from partners in **Tanzania**, WaterAid moved from parallel partnerships with local government authorities and implementing partners to tripartite partnership arrangements, (*WaterAid, local government and implementing partners*). This new arrangement has significantly increased trust and transparency and accountability among the three partners which was identified as a gap during the review process.

At an intermediate level, WaterAid uses external country evaluations as a tool to collect this data. CPs are evaluated approximately every 3-4 years with the primary objective to assess the relevance and effectiveness of the programme in line with strategic objectives. Hence, this requires consideration of the country context and the role played within the wider development sector. To achieve this requires interviews with key stakeholders beyond who WaterAid directly work with, with the exact methodology being determined by the evaluator.

The country evaluations are also an opportunity to capture a sample of community and household feedback (the ultimate beneficiaries) from where WaterAid work. Outside of this formal summative process, continuous formative feedback from communities is expected in their role within programme design and implementation. The methodology for collecting this feedback can vary from PIMS, joint monitoring visits with partners to observation of local water user committee meetings to simple interactions with individuals as WaterAid move through a community.

Although detail was given on the variety of ways in collecting beneficiary feedback, we felt the annual report was lacking in the detail from beneficiaries on the ground. We do not feel that there was sufficient evidence presented to demonstrate how feedback mechanisms improve programming. WaterAid acknowledge this as an area where future work is required and they aim to provide more detail on this in future reporting.

1.4 Summary of overall progress

Overall this was a good report with clear progress being made. We are particularly interested in how WaterAid's Global Strategic Process Review identified and need to work with partners based on quality not quantity and look forward to hearing more about this in future reporting. We are also appreciate of the discussions with WaterAid around beneficiary feedback, Hard to Measure Benefits (HTMB), climate work and how they are currently refocusing on quality and not quantity. We look forward to continuing engagement on those areas.

1.5 Key challenges

The three biggest challenges which impacted on WaterAid's programmes and results this year are:

- Conflict and insecurity, particularly in Mali, Nigeria, Pakistan and Niger,
- Funding related issues: Some countries do not attract donors, whereas in others a more diverse donor base has resulted in more demands to be addressed, with funding coming on line at different points to when projects are planned to start,
- Staff turnover: This is a challenge given the extremely limited pool in many countries, and that WaterAid lose experienced staff to larger organisations (e.g. INGOs, UN).

1.6 Annual Outcome Assessment

WaterAid are on track to meet, and exceed some of the 3 Year PPA objectives. They are currently refocusing measuring quality as well as quantity and their efforts here are appreciated. We look forward to the outcome of those changes next year.

2. Costs and timescale

2.1 Is the project on-track against financial forecasts:

Yes, annual funding through the PPA is disbursed in four equal amounts on a quarterly basis. The full annual allocation was disbursed as expected. Allocations for year 3 will be allocated in the same way with no variance expected.

2.2 Key cost drivers

- WaterAid and partner staff have capacity to support successful delivery of our strategy,
- Appropriate technology for water and sanitation that's sustainable, accessible and can be sourced and maintained locally,
- Campaigning and advocacy that has demonstrable (over period of time) results in people gaining access to water and sanitation.

WaterAid costs are affected by their objective to work with the most hard to reach people, which means that in some countries and even within countries higher investment will be required than might be required to access more people elsewhere at lower cost.

2.3 Is the project on-track against original timescale:

The project is on track with appropriate reviews being undertaken to assess and inform the Year 3 indicators and milestones. WaterAid are aware of where additional attention is needed to accelerate progress and report robustly against their milestones however we are confident that they will remain vigilant to ensure the necessary steps are taken. We will continue to engage with them during the course of the next reporting period to ascertain progress.

3. Evidence and Evaluation

3.1 Assess any changes in evidence and implications for the project

WaterAid are undertaking a Planning and Reporting Processes and Systems Review which will identify how best to streamline and systemise M & E processes that extend beyond the CPs to enable collection of data to show progress at the relevant scale. This should enable better M & E across WaterAid's work.

3.2 Where an evaluation is planned what progress has been made?

The PPAs as a whole are served by an umbrella evaluation strategy, the first of its kind for DFID, which encompasses the Global Poverty Action Fund. This strategy examines progress at fund and at individual, organisational level. Following the announcement of the extension to the PPA fund in 2013, the evaluation strategy is being reviewed and, in addition to the individual progress reviews (IPRs) and meta evaluation that took place in 2012, further

evaluative activities are being scoped out for 2014/2015 and 2016/17. This scoping process is taking place in consultation with the on-going funded organisations and the revised strategy will be ready in Quarter 4 of Financial Year 2013/14. The aim is to provide timely, fund level evaluation information for the design of future strategic funding modalities in 2014/15 ahead of the fund completion in 2016, followed by evaluative learning on the outcomes and impact of strategic funding for organisations and the fund as a whole in 2016/17.

4. Risk

4.1 Output Risk Rating:

Medium

4.2 Assessment of the risk level

We agree with the overall risk rating. WaterAid works in countries where conflict, insecurity and climate disasters could disrupt their work. They appear to have considered those risks and contingencies are in place to deal to mitigate any delay in progress.

4.3 Risk of funds not being used as intended

WaterAid underwent pre-grant due diligence checks carried out by KPMG. The pre-grant due diligence assessed capacity to manage the proposed level of DFID support in the following areas:

- Governance
- Financial Capacity
- Operational Capacity
- Value for Money
- Results

Satisfactory completion of the due diligence process was required before any money was disbursed. This helps to reduce the risk of diverted funding while establishing an environment of accountability and transparency.

4.4 Climate and Environment Risk

No issues were raised for the attention and action of WaterAid as a result of the 2011 Environmental Screening process.

5. Value for Money

5.1 Performance on VfM measures

WaterAid do look at some high level time series, in particular overall cost per user. This shows a trend of reducing costs overall. However, costs are driven by a great variety of

factors and WaterAid rely heavily on qualitative information to assess the efficiency and effectiveness of programmes. In particular focused efforts to reach the most marginalised and improve the sustainability of work may lead to increased costs per user but enhance the effectiveness of work. WaterAid say that they are also conscious that the true costs of delivery are often shared by other stakeholders and communities and are not reflected in their own costs.

Whilst we appreciate that certain metrics i.e. unit costs vary depending on the local context etc. we have advised WaterAid to consider tracking them for lesson learning and future planning purposes.

5.2 Commercial Improvement and Value for Money

All significant purchases follow strict competitive processes which include getting multiple quotes for comparison. Procurement committees are used to assess the various quotes for quality and cost effectiveness. Staff salaries are routinely benchmarked against the market in all countries in which WaterAid operate. However, we feel that this section of the report was a little under developed and WaterAid could improve on this further i.e. cost drivers could be analysed more fully.

5.3 Role of project partners

WaterAid's partnerships are broadly focused between improving sector capacity and performance through learning and leveraging greater resources for the WASH sector. This is critical to their ToC, with the basic realisation that WaterAid alone cannot solve WASH crisis alone, and to be effective, they need to engage others.

Partnerships in learning networks are integral to improving their own and sector best practice. They work closely with RSWN and with other organisations such as WEDC and IRC to challenge current thinking and identify new approaches. The PIMS work is one key area, where WaterAid are learning from experience and improving understanding of sustainability issues. This has already identified the need to improve the role of local government, and will adapt their approach to deliver better long lasting change.

The PPA allows WaterAid to participate in partnerships that focus on influencing and campaigning, such as the SWA and with Unicef. By partnering together, messages can be more effective and greater than sum of individual work. This generates opportunities for WaterAid to participate in meetings at a higher level and influence the decision makers.

WaterAid are currently looking to refocus their measuring of partnerships from quantitative to qualitative which is a sign of the importance they place on partnership engagement. We look forward to hearing more about this in due course.

5.4 Does the project still represent Value for Money :

Yes. WaterAid has met and exceeded on some milestones for year two and are on course to deliver outcomes as intended. We will continue to engage with them on the revisions to indicators however we are confident that the original targets will be met.

5.5 If not, what action will you take?

Not applicable in this instance.

6. Conditionality

6.1 Update on specific conditions

N/A

7. Conclusions and actions

Overall progress has been good. WaterAid will consider:

- Increasing the indicator at 1.1;
- Revising the milestone at Indicator 2.1 in light of any progress on the PIMS review;
- Removing Output 3 and incorporating this within other indicators;
- Review Output 4 to reassess the target for 2013/2014
- Review Outcome Indicator 3 to reassess the target for 2013/2014

A revised logframe should be submitted for Year 3 to reflect the changes.

8. Review Process

WaterAid submitted a self-assessment annual report of their progress and performance against the PPA log frame during this second year of PPA funding. DFID reviewed this annual report and provided feedback to WaterAid on both strengths and weaknesses. The feedback incorporated comments from a range of officials in relevant country and policy teams.