



MercyWorks

SISTERS OF MERCY
IN AUSTRALIA & PAPUA NEW GUINEA

PARTNERSHIP POLICY

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| Policy Number: | 01 | Version: 2 |
| Updated by: | Policy Writer | Approved by Board on: 28 October 2020 |
| Reason of Review: | ACFID CSA/ACNC regulatory requirements and guidelines | Scheduled review date: As per schedule |

INTRODUCTION

Mercy works Limited (MWL) promotes social justice through local and overseas relief and development activities that are part of the mission and vision of the Sisters of Mercy in Australia and Papua New Guinea.

The programs engage in partnerships with communities to promote justice, self-reliance and to support peoples and communities who are displaced or denied access to basic resources such as education, health and social welfare.

1. PURPOSE

The purpose of this Policy is to describe the activities MWL undertake to understand our partners, formalise our Partnership Agreements, and manage and support our partners.

MWL has aligned this Policy to the Australian Council for International Development (ACFID) Code of Conduct Principles 5.1, 5.2 and 5.3. For the purposes of this Policy this has been interpreted as:

- Commitment 5.1 – Understanding our partnerships
- Commitment 5.2 – Formalising our partnerships
- Commitment 5.3 – Managing and supporting partnerships

Any exemption to this Policy must be applied for in writing, for approval by the Executive Director. Any exemption granted by the Executive Director must be in writing.

2. SCOPE

This Policy provides guidance to all Workers (see definition 3.3) in relation to their work with/for MWL.

This Policy explains:

- a) the criteria for assessing potential partners;
- b) the mechanism for formalising our partner relationships;
- c) the activities MWL undertake for capacity strengthening; and
- d) the activities for the review and termination/exiting of agreements.

3. DEFINITIONS & ACRONYMS

Terms used in this Policy are:

3.1 Memorandum of Understanding (MoU) – A document that MWL uses to describe the broad outline of an agreement with our partners, communicating mutually accepted expectations.

3.2 DFAT Consolidated List - This is a list of all persons and entities who are subject to targeted financial sanctions or travel bans under Australian sanctions.

3.3 Worker - refers to MWL Board Directors, committee members, employees, contractors, and volunteers, in relation to their work with/for MWL.

4. APPLICATION

4.1 Policy statement

Mercy Works Limited (MWL) pursues its development objectives in partnership with like-minded organisations including churches, dioceses and provinces, community-based groups, and local development agencies.

MWL seeks to build partnerships characterised by:

- shared identity and values;
- a common vision for human rights and poverty focused, community-based development work;
- the practice of trust, respect, fairness, equity and responsibility in organisational relationships;
- a mutual desire to learn and develop as organisations; and,
- a shared commitment to improve the effectiveness of work and, ultimately, its impact in poor and marginalised communities.

MWL supports the efforts of partners to develop the capacity of their organisations, to build their technical and management skills and to increase the effectiveness and sustainability of their work. We are open to working with newer and less formal organisations and recognise that they may benefit from more intensive partnership relationships than more established organisations usually require.

MWL and its partners operate under accountable governance structures such as legally constituted boards of management. We are committed to work in accordance with the Australian Council for International Development (ACFID) Code of Conduct.

Development is best carried out in partnership with those who will be directly affected by the aid and development activities. It is a long-term process, aimed at building the capacity of the local people/staff, and designed to achieve lasting results in a developing country or community.

MWL will have appropriate procedures in place for the monitoring and evaluation of aid and development programs that emphasise relationships, learning, adaptation and impact.

4.2 Understanding our partnerships

The documented assessment of each potential partner and project will be reviewed by the MWL Program Committee. Partners and projects recommended by the Program Committee will be sent to the Finance, Audit & Risk Committee for financial consideration and possible approval. All recommendations are then sent to the MWL Board for final consideration and approval.

The criteria for the documented assessment is:

- a) Alignment with MWL's values and objectives

MWL will consider the potential partnership organisation and the project/initiatives(s) an application relates to and ensure that there is alignment with our principles of freedom, mutual respect, environmental sustainability, participation, and participation of the rights and responsibilities of all.

MWL will consider the application information itself and other information in the public domain such as the organisation's website and past projects and community activities the organisation has been involved with.

b) Governance and legal registration

MWL will perform governance checks when conducting the partnership assessment to consider the following:

- Registration as a legal entity: for Australian organisations, registration with the ACNC (and ASIC if a company); for organisations based in other countries, registration with a relevant government authority
- Formal governing instruments: Constitution, By-laws, or Articles of Association
- Appointment and full functionality of a Board or Management Committee
- Charitable status and status as not for profit
- Clearly defined and appropriate distribution of assets in the event of dissolution
- Any actual, perceived or potential conflict of interest
- Any current or past litigation, serious complaints or investigations
- Whether the name of the organisation or of any person associated with it is on the DFAT Consolidated List of persons and entities subject to targeted financial sanctions.

c) Financial systems

MWL will consider financial controls when conducting the partnership assessment, which includes assessing:

- The controls in place to manage risk, fraud and/or misappropriation of funds
- The existence of a bank account in the organisation's name
- The requirement for two signatures to withdraw funds
- The existence of an operational budget and transparent accounting reporting processes
- A transparent process for recording gifts and donations
- The requirement to obtain and keep original receipts for expenditure
- Periodic audit of accounts

d) Capacity assessment

MWL will also consider the capacity for the implementation and alignment with MWL's key risk and safeguarding policies which will include assessing:

- The existence of a written Child Safeguarding Policy consistent with the MWL Child Safeguarding Policy, including a definition of 'abuse'
- The existence of a Code of Conduct consistent with the MWL Code of Conduct Policy
- Whether a commitment to safeguarding children, including providing appropriate training and information to staff and stakeholders, is in place
- The implementation of child safe communication and media protocols which protect children's identity, privacy and images
- Whether the resources are in place to deliver the proposed project/initiative (human, financial, organisational, project management and governance)
- The technical capabilities to deliver the proposed project/initiative
- The relationships with other entities and their abilities to influence and advocate

4.3 Formalising Our Partnerships

a) Project Partners

In-country implementing partners need to sign MWL's standard Memorandum of Understanding (MoU), which details what is expected of both parties in relation to a project proposal.

At a minimum, the MoU will describe:

- Value and contribution of each party.
- Shared goals, roles and responsibilities of all parties.
- Financial and non-financial resources and support offered by and required of each party.
- Dispute resolution process.
- Mutual accountabilities for reporting, sharing information and communication.
- Specific statements about child protection, prevention of sexual exploitation, abuse, and incident reporting.
- Specific statements about fraud and reporting any suspicions or allegations of fraud

b) Project Activities

No development funds received by an implementing partner may be used for promoting, or engaging in, religious or political activities. Development funds must be used and delivered on the basis of need and without distinction on the basis of caste, creed, class, race, gender, religion or political persuasion.

4.4 Managing and Supporting Our Partnerships

All projects that are undertaken by MWL, whether Australian based or overseas based, will have a Project Management Group (Individual Project Coordinators overseen by a Country Project Coordinator) appointed to oversee the implementation of the project.

All registered projects are required to submit, at least biannually, project reports (both narrative and financial), and include the following:

- Description of the main activities conducted in the reporting period
- Disaggregated data on the number of primary stakeholders reached in the reporting period
- Progress towards the expected outputs and outcomes, with reference to indicators, in line with the approved Activities Logframe and Monitoring and Evaluation plan
- Any progress on cross-cutting issues: gender awareness and equity, disability inclusion, and environmental protection
- How primary stakeholders have participated in activity planning, implementation and monitoring
- An update on Child Safeguarding practices
- Any progress in relation to sustainability
- An update on risk management, with reference to the approved Risk Management Matrix
- Any other issues arising and how these have been handled
- Financial reporting showing for each line item, the approved budget, the actual expenditure and the variances with explanations of significant variances

MWL aims to develop and maintain partnerships via ongoing relationship building and open feedback and dialogue mechanisms. To this end we endeavour to strengthen our capacity to deliver through our partnerships through periodic review and adaptation where required. MWL aims to manage and support our partners via the following:

a) Capacity Strengthening

MWL will strive to strengthen our capacity and that of our partners, whether it be in relation to a specific project/initiative or more broadly to increase the effectiveness of MWL and that of our partners.

On a periodic basis we will request our partners contribute to a Capacity Strengthening Plan which will identify the areas for strengthening, proposed new projects/initiatives, the resources required to implement the plan, and the mechanisms to measure progress and achievement of capacity strengthening. This plan will then be put into action and reviewed regularly.

b) Review and Adaptation

Whilst MWL ensures that open and regular dialogue with our partners takes place, all partnerships will be reviewed at least annually, or at midpoint and at the end of each project delivery if a project/initiative runs for less than 12 months. The review will include consideration of:

- Achievements and effectiveness
- Project progress
- Any need to make changes to the project/initiative or the way we interact
- Identified new opportunities

c) Termination/Exiting Partnerships

When a partnership ends, ideally the timing will be jointly discussed and mutually agreed well before the termination date to allow for appropriate communication and redirection of resources. The exiting or ending of a partnership can be for many reasons, which include:

- The planned ending of a project/initiative
- The partner organisation has grown sufficiently and can access sufficient resources without further support from MWL
- The partner no longer aligns sufficiently with the values or objectives of MWL
- The partner is no longer able to deliver the project/initiative in line with the agreed MoU
- The partner has breached key terms of the MoU, such as in relation to safeguarding or fraud

A review of the partnership will always be taken at termination.

5. BREACH

A breach of this Policy may result in disciplinary action that may involve severance from the organisation.

6. AUTHORITY

This Policy is approved and reviewed by the Board.

7. RELATED POLICIES/DOCUMENTS

Other organisational policies, legislation, and codes etc. that should be read in conjunction with this Policy and with MWL's ethical value principles include:

- Code of Conduct Policy
- Management of Complaints, Concerns and Commendations Policy
- Donations and Fundraising Policy
- Prevention of Sexual Exploitation and Abuse Policy
- Risk Management Framework
- Child Safeguarding Policy
- Transparency and Accountability Policy
- ACFID Code of Conduct - Commitment 5.1, 5.2, and 5.3
- Project Appraisal Criteria

8. CONTACTS

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9. REVIEW

Review of this Policy, related forms and resources will be undertaken every three years by the Executive Director and approved by the MWL Board.


10. REVISION/MODIFICATION HISTORY

| Date | Version | Current Title | Summary of Changes | Approval Date | Commencement Date |
|-----------------|---------|--------------------|--|-----------------|-------------------|
| 17 October 2018 | 1 | Partnership Policy | New | 17 October 2018 | 18 October 2018 |
| 28 October 2020 | 2 | Partnership Policy | Rewritten Policy to ACFID requirements | 28 October 2020 | 29 October 2020 |

11. APPROVAL DATE/REVISION SCHEDULE

Approved by: Board, Mercy Works Limited
Date: 28 October 2020

To be Revised: 28 October 2023

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| Board Chair Signature |  |
| Date | 10.11.2020 |