

## VSO/DFID - PPA2 - 2005 - 2010

### 1. Introduction to DFID and VSO

#### 1.1 VSO description and strategy

VSO is an international development agency working through international volunteering. VSO's purpose is to build reciprocal local and global partnerships that bring people together to share skills, creativity and learning to build a fairer world. VSO's organisational strategy, *Focus for Change* identifies six development goals: HIV& AIDS, Education, Participation & Governance, Disability, Health & Social Well-being and Secure Livelihoods. Education and HIV&AIDS have been prioritised for learning and for policy initiatives at an organisational level. VSO believes that its distinctive competence in international development is its ability to build capacity; working alongside people, in long-term committed partnerships with both government and non-government organisations. VSO follows a strategic (or programmatic) approach to its work in poorer countries, linking activities at the grass roots, including short-term and longer term volunteering placements,<sup>1</sup> with those at district and national levels in the same programme area. Learning from this direct field experience forms the basis of VSO policy work at national and international levels and underpins VSO's development awareness work in the UK.

#### 1.2 DFID description and strategy

DFID is responsible for leading the UK Government's contribution to the international effort to reduce poverty. It works as part of a wider international effort, collaborating with many organisations, including: other UK Government Departments, international development agencies, governments of developing and transition countries, civil society, business and academia.

To increase the impact of development assistance on poverty, DFID focuses on helping the poorest countries and on supporting agreed longer-term financial commitments, which will mean beneficiaries will be able to predict their income. We have moved away from stand-alone projects – where the donors decide the agenda – towards support for poverty reduction strategies led by developing countries themselves. DFID also works to improve the work of the main multilateral agencies through which we channel funding.

### 2. PPA rationale

#### 2.1 DFID wants a PPA with VSO because

DFID believes international volunteering makes a significant and distinctive contribution to development. VSO has been endorsed by an independent review in 2003 as a cost effective way of using public money to tackle poverty and

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<sup>1</sup> On 1/4/05 VSO will formally merge with beso. The use of the term volunteers in the remainder of this document includes both beso and VSO volunteers

disadvantage. VSO has a range of strong working relationships with DFID – in UK and Overseas. The partnership agreement offers a framework within which to consolidate these relationships and to develop a wider engagement with VSO in development.

## 2.2 *VSO wants a PPA with DFID because*

VSO and DFID share ways of working in development that have provided a strong basis for past and present partnership. These include commitment to empowerment, commitment to learning that informs both policy and practice, and commitment to partnerships that facilitate the participation of disadvantaged people. VSO appreciates the space within the partnership to develop its own distinct agenda, and grow as part of the global Civil Society that DFID supports. The long term commitment and strategic level of support offered by a PPA enables VSO to offer flexibility and longer term partnership to VSO's local partners.

### **3. Current areas of synergy between VSO and DFID**

- Shared poverty focus and geographic priorities – Based on each organisation's distinctive competence, both VSO and DFID work in less developed countries, and towards Millennium Development Goals.
- Complementarity of policies, for example where DFID provides Direct Budget Support (DBS) and Sector Wide Approaches (SWAs). VSO can complement this by building capacity directly in support of good governance at state, regional and district levels.
- Focus on Quality Education: Strengthening formal education through policy work, and capacity building, as a way of promoting equity and rights at state, regional and district level. At international level VSO shares its learning to international networks such as 'Global Campaign for Education' and donor initiatives such as the 'Fast Track Initiative'.
- Focus on HIV&AIDS as a development priority: Comprehensive approach to HIV and AIDS that adds value to efforts of national governments and civil society through capacity building and policy work, with specific reference to needs of women, men and children.
- Capacity building of government and civil society organisations as well as organisations that contribute to a healthy and equitable private sector, especially at regional and district level through coaching, skill sharing, links and networks. At an international level VSO shares its learning in the broader human resource and absorptive capacity debates with DFID, DfES and others
- Partnership networks – strong existing linkages with local partners at regional, national and state level as well as partnerships with other international development partners

- Participation is key - Participation of all key stakeholders in both South and North is critical to sustainable development.
- Appropriate use of resources – drawing the most appropriate resources from where they are available and using them where they are most needed e.g. VSO draws on volunteer resources from international recruitment bases in the same way that DFID may use resources from effective local or international sources.
- Engaging British public in the development agenda with VSO complementing DFID's efforts through practical involvement of individuals in long and short term development work overseas.
- Building and Strengthening Development Awareness in the UK, particularly in the formal education sector, business community, community-based organisations, and UK civil society.
- Contributing to the growth of private sector activity that brings about an improvement in the livelihoods of poor people.

#### 4. Strategic Outcomes of partnership that VSO will be monitored on

Strategic Outcomes	Means of Verification	Risks
<ul style="list-style-type: none"> <li>• <b>Individuals capabilities</b> are built in order to effect positive political, social and economic change for poor people.</li> <li>• The <b>capacity of organisations</b> is enhanced through people centred approaches, working in partnership and support for volunteerism. The government and civil society organisations and networks VSO supports will then increase their contribution to pro-poor political, social and economic change.</li> <li>• <b>Local, national and international policies</b> in 2 priority goal areas are more pro-poor, and more effectively implemented. VSO aims to improve the lives of men, women and children affected and infected by HIV&amp; AIDs, and those denied access to quality Basic Education</li> </ul>	<ul style="list-style-type: none"> <li>• Country-level Partnership and Programme Area Reviews that demonstrate progress towards each strategic outcome in a sample of 6/7 countries, in Education and HIV&amp;AIDS</li> <li>• Annual reports from each country in sample with key learning on strategic outcomes in goal areas.</li> <li>• Annual reflection and dialogue with DFID Country offices in the sample of 6/7 countries.</li> <li>• Appropriate examples drawn from other four goal areas e.g. evidence drawn from reviews, management tours, and shared learning.</li> <li>• Analysis of VSO's policy and advocacy work in UK and in donor countries.</li> <li>• Evidence from Country level Partnership Reviews on quality of partnership between local partners and VSO.</li> <li>• Evidence from national volunteering and LINKs reporting from VSO country programme, and national partner Agencies.</li> <li>• Evidence that VSO continues to learn about its distinctive competencies.</li> </ul>	<p>Risk rating - Medium</p> <ul style="list-style-type: none"> <li>• Capacity of organisations weakened by outward migration</li> <li>• Building capabilities threatened as a result of HIV&amp;AIDS</li> <li>• Basic service systems become increasingly dysfunctional in Low Income Countries</li> <li>• UK volunteering ethos does not get stronger, and highly skilled volunteers not found.</li> <li>• Global insecurity affects peoples' willingness to volunteer; as well as their effectiveness in-country.</li> </ul> <p>Risk rating – high</p> <ul style="list-style-type: none"> <li>• Difficult to work on policy in attributable way</li> <li>• Current global politics and security may have negative effect on development agenda - and public opinion.</li> </ul>
<ul style="list-style-type: none"> <li>• Quality of organisational <b>partnerships</b> in UK is maintained and enhanced including global education partners.</li> </ul>	<ul style="list-style-type: none"> <li>• Biannual review of UK partners e.g. business partnerships, advocacy partners, Trade Unions, UK volunteering organisations, Professional Assocs, global education partnerships (including</li> </ul>	<p>Risk rating – low</p> <ul style="list-style-type: none"> <li>• Complexity of partnership arrangements in UK reduces outcomes for partners in South.</li> <li>• Partnerships lead to effective</li> </ul>

	DFID's Strategic Grant Agreement partners, Enabling Effective Support Groups and N/S Linking partners)	outcomes
<ul style="list-style-type: none"> <li>• <b>Public awareness</b> of development issues is enriched and deepened in key target groups e.g. community, teachers, business and youth groups</li> </ul>	<ul style="list-style-type: none"> <li>• In consultation with DFID VSO will develop and implement a strategy that enhances its global education in scope and quality</li> <li>• Evidence collected through Volunteer survey and ongoing analysis of UK global education and development awareness raising initiatives e.g. media work, linking activity, youth groups etc.</li> </ul>	<p>Risk rating – medium</p> <ul style="list-style-type: none"> <li>• Broader society have an interest in development education messages</li> <li>• Returned Volunteers engage with strategy at a level to have coherent impact</li> <li>• Impact too indirect to measure.</li> <li>• Adverse publicity as a result of raising issues in the Press</li> </ul>
<ul style="list-style-type: none"> <li>• VSO's <b>organisational effectiveness and transparency</b> is maintained and enhanced.</li> </ul>	<p>VSO Internal reporting on</p> <ul style="list-style-type: none"> <li>• <u>Progress towards objectives</u> - No. of <i>partnerships</i> making progress towards achieving objectives; no. of <i>programmes</i> making progress towards objectives.</li> <li>• <u>Scale of VSO activity</u>– Number of partners (inc. business, global education, partners overseas), total expenditure per goal, expenditure on Global Education, number of volunteers by country, scale of complementary volunteering activities, number of volunteers receiving 'enabling support' (global education)</li> <li>• <u>Maintained levels of satisfaction</u> of stakeholders e.g. current and returned volunteers, implementing partners, global education partners etc.</li> <li>• <u>Costs</u> per volunteer</li> <li>• Amount of <u>non-PPA income</u> raised</li> </ul>	<p>Risk rating - Medium</p> <ul style="list-style-type: none"> <li>• International labour market trends and global security adversely affect recruitment</li> <li>• Quality of reporting inadequately reflects quality of programme</li> <li>• Additional funds sought are not forthcoming, donor policies change</li> </ul>



## 5. Monitoring and Evaluation

### 5.1. Annual Reporting

VSO will demonstrate its progress towards strategic outcomes through annual reporting giving evidence from two of VSO's six development goals in a sample of six/seven countries. This sample will give an overview of the work of the whole agency, and will be supplemented by illustrative examples of achievements and lessons learned in other goal areas and countries.

Until such time as agreement on a process of mid-term review, VSO will report annually on Education and HIV&AIDS in a selection of countries where VSO and DFID have overlapping interests e.g. Rwanda, Ethiopia, Zambia, Malawi, Ghana, Cambodia, Nepal, Bangladesh, Gambia, India. Thereafter VSO/DFID may choose other goal areas to report on e.g. livelihoods

In order to report on effective outcomes and share learning with DFID, there will be an annual reflection and dialogue in each of the countries in the sample. These reflections will be recorded, and key lessons on strategic outcomes submitted as part of PPA reporting.

VSO will report on strategic outcomes of enrichment of public awareness on development issues through qualitative reporting on our global education initiatives, and from the reports of our partners. There will be a focus on raising awareness, Education and HIV&AIDS; as well as the results of the whole volunteer cycle in equipping volunteers to enrich and deepen public awareness in UK on their return. VSO UK will meet twice a year with DFID Development Awareness Team for reflection and dialogue on same basis as in sample of countries.

VSO will report in matrix format with specific references to more detailed supporting documents (see Means of Verification ).

## 6. Core Information

### 6.1 Funding & Term Of Arrangement

The PPA is a 6 year arrangement commencing 1/4/2005 and ending 31/3/2011. Total DFID funding (contribution) for the first 3 years of the PPA will be £83,820,000 (eighty three million, eight hundred and twenty thousand pounds). Funding for the last three years will be agreed during the initial 3 year period. The contribution will be allocated within DFID financial years as follows:

<b>Year</b>	<b>Funding</b>
2005/06	£27,960,000
2006/07	£27,960,000

2007/08	£27,960,000
2008/09	To be confirmed
2009/10	To be confirmed
2010/11	To be confirmed

Funding Exclusions: Whilst VSO is actively seeking to diversify its funding base and increase funding from other sources, there will be occasions when DFID advisers consider that collaboration with VSO over specific projects is the most effective and efficient way to achieve DFID's objectives. In such cases, it will be in order for there to be separate funding arrangements agreed between local DFID offices and VSO. To avoid the possibility of double funding in such circumstances, where funding is provided for a VSO project, then resources will be limited to direct costs. Where the funding is for a DFID project, full support costs for volunteering will be provided.

#### *6.2 Memorandum Of Understanding*

The formal administrative arrangements which relate to this PPA, including full funding details, are provided in the associated Memorandum Of Understanding (MOU).