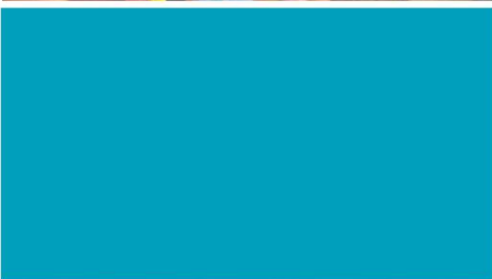


Evaluation Manager PPA and GPAF: Evaluation Strategy

February 2012



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ABBREVIATIONS AND ACRONYMS

CHASE	Conflict Humanitarian and Security Department
CSD	Civil Society Department
CSO	Civil Society Organisation
DFID	Department for International Development
EMT	Evaluation Manager Team
GPAF	Global Poverty Action Fund
IATI	International Aid Transparency Initiative
M&E	Monitoring and Evaluation
MDG	Millennium Development Goals
MOU	Memorandum of Understanding
NGO	Non-governmental Organisation
PPA	Programme Partnership Arrangements
TOR	Terms of Reference
QA	Quality Assured

1 INTRODUCTION

DFID provides significant annual funding to civil society organisations (CSOs) in line with its overall strategy to alleviate poverty and promote peace, stability and good governance. The Programme Partnership Arrangements (PPA) and Global Poverty Action Fund (GPAF) are two of DFID's principal funding mechanisms and will provide **£480 million** to approximately **230 CSOs** between **2011 and 2015**.

The current economic climate and results-based agenda demand a rigorous assessment of the effectiveness of funds disbursed to ensure that they are managed to provide value for money. The purpose of this strategy is to provide a clear framework for assessing the performance both of individual grantees and the funding mechanisms overall.

1.1 Funding mechanisms

This Evaluation Strategy is focussed on two key funding mechanisms – the PPA and GPAF. These are described below and summarised in Table 1. Details of all of the organisations funded to date and their grants can be found in Annex 1. The policy objective of PPA and GPAF funding is to alleviate poverty by strengthening civil society and in doing so, contribute to the achievement of the Millennium Development Goals, and good governance.

1.1.1 Programme Partnership Arrangements (PPAs)

DFID has provided support to CSOs through the PPA since 2000 – the PPA as it currently exists will not be continued beyond the current funding period which will finish in 2014. The total budget for the PPA is £360 million and £60 million has been ring fenced for organisations working in the conflict and humanitarian sector (CHASE). Funding for PPA was finalised in April 2011: there are 28 organisations receiving general funding, and 16 organisations receiving CHASE funding. Four organisations¹ are receiving both general and CHASE funding. The funding is flexible and is not tied to a specific intervention or initiative. The anticipated outcomes of PPA funding are:

- Enhanced delivery of results which provide value for money;
- Enhanced generation and use of evidence to improve programming;
- Mainstreaming sector best policy and practice (e.g. gender, disability);
- DFID funding has multiplier effect on grantees targeting strategy and geographical focus.²

1.1.2 Global Poverty Action Fund (GPAF)

The **Global Poverty Action Fund (GPAF)** is a new fund which was launched on 27 October 2010. The GPAF is a demand-led fund providing **project-funding** to support CSOs contributing to poverty reduction and achievement of the most off-track Millennium Development Goals in poor countries.

Under the GPAF two types of grants are being dispersed: **Innovation Grants** for small UK-based CSOs (with an annual income of <£500,000) encouraging innovative approaches to poverty reduction, and **Impact Grants** for medium-sized UK-based CSOs (no fixed upper and lower annual income limit) working on poverty reduction programmes at larger scale in one or more poor countries. Locally registered CSOs in countries where DFID have country offices are also eligible for Impact Grants.

1 Christian Aid, Oxfam, Save the Children and Transparency International

2 These are the outcomes identified in the Business Case Theory of Change – see Annex 3

The overall funding available for the two windows is **£120 million** over three years, with 10% (£12 million) allocated to the Innovation Window and 90% (£108 million) allocated to the Impact Window. Innovation Window projects are funded with grants up to £250,000, and the Impact Window funds projects with grants between £250,000 and £4 million. Impact Window funded projects have to provide a minimum of **25% matched funding**. The grant duration for both windows is up to **three years**.

There are two funding rounds per year for the Innovation Window, and one round per year for the Impact Window. The individual funding rounds of the two windows consist of a **2-stage process**, where applicants submit an initial Concept Note followed by, if successful, a Full Proposal. When the mid-term and final evaluations of the GPAF take place, grantees will be at varying stages of implementation, with some grants still to be awarded. Whilst this limits the scope of activity being evaluated, the mid-term evaluation has been timed to ensure that there is a sufficient amount of activity to inform a rigorous assessment of the fund.

The GPAF is a demand-led fund, and while its overall objectives will not change, the funding mechanism is constantly evolving to respond to the market. The impact assessment of grantees and of the overall fund itself will take into account the dynamic nature of the fund.

Table 1: Overview of the funding mechanisms

	PPA		GPAF	
	General	CHASE	Innovation Grants	Impact Grants
Total allocation	£300m	£60m	£12m (10%)	£108m (90%)
No. grantees	28	16	Approx 60	Approx 120
Grantee profile	CSOs with a global reach and leaders in their field who can add value to DFID's portfolio, support realisation of its objectives, achieve real results in terms of poverty reduction and provide good Value for Money (VfM)		Small CSOs with income of <£500,000 demonstrating innovative approaches to poverty reduction	Medium-sized CSOs (no fixed upper / lower income level) working on poverty reduction at large scale in at least 1 country
Grant sum	Various		Up to £250,000	£250,000-£4million
Grant mechanism	Flexible Strategic Support ³		Project funding	Project funding – min. 25% match funding
Fund management	DFID – Civil Society Department Programme Managers	DFID – CHASE Policy Leads	GPAF Manager (external to DFID) reporting to the GPAF Board which is made up of both DFID and non-DFID representatives	

³ 'Flexible Strategic Support' in this context broadly means that grantees are not restricted to only funding specific project-based activities

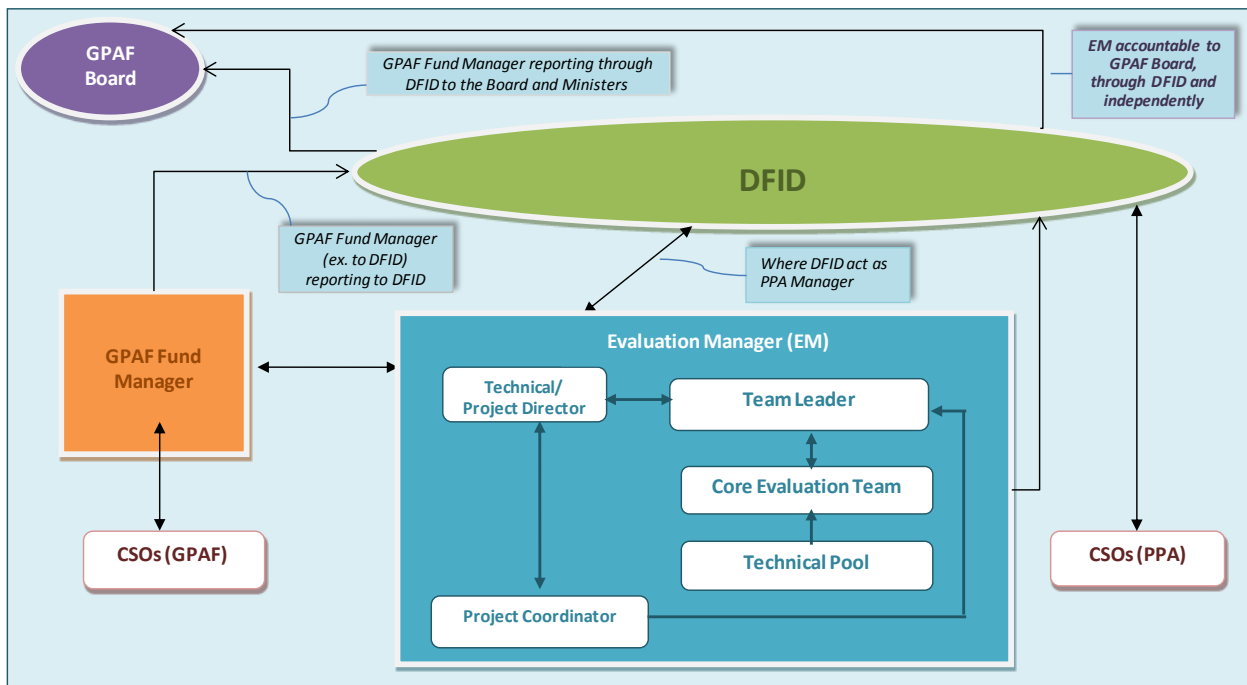
	PPA		GPAF	
	General	CHASE	Innovation Grants	Impact Grants
Grant duration	3 years		Up to 3 years	
Funding rounds	One funding round in 2011		2 per year	1 per year
Criteria	See grantee profile above		Innovative approaches to poverty reduction	Working on poverty reduction at a large scale in at least 1 country, min. 25% fund matching

1.2 Evaluation of the PPA and GPAF funding mechanisms

It is critical that robust and independent evaluation is applied across the GPAF and PPA portfolios and that the results feed into broader policy- and decision-making frameworks. The evaluation will draw on evidence from grantees and independent evaluations, assessing performance at both the individual grantee level as well as the portfolio or fund level and will assess the extent to which each of the funds achieves its objectives and desired overall impact.

There are a number of stakeholders directly and indirectly involved with the evaluation of the funds. A simple organogram is displayed below:

Figure 1: Organogram



PURPOSE OF THE EVALUATION STRATEGY

The purpose of the Evaluation Strategy is to establish a clear assessment framework for the PPA and GPAF, enabling stakeholders to learn, improve and plan for the future. The information needs vary according to each stakeholder, as does the way in which the information will be used. An overview of the key stakeholders and their priorities is provided below⁴:

Stakeholder	Key information requirement	How the information will be used
DFID	<p>Insight into which organisations are providing the best value for money and what DFID funding adds to their capacity and the results they achieve</p> <p>Illustrations of how DFID funding is changing lives and reducing poverty</p>	<p>To justify aid expenditure to the public and in parliament</p> <p>To determine what the most effective ways of aid funding are moving forward</p>
Civil Society Department	<p>Insight into which organisations are providing the best value for money and what DFID funding adds to their capacity and the results they achieve</p> <p>Assessment of whether their strategic rationale behind funding civil society is valid</p> <p>Understanding of the key strengths and weakness of funding modalities and fund management mechanisms, including an assessment of which funding model is the most effective for meeting DFID's purposes</p> <p>Insight into the most effective organisations, intervention combinations and environmental prerequisites for achieving results</p> <p>Evidence around broader policy questions relating to empowerment, accountability and sustainability</p>	<p>To manage PPA grantees which may, in some cases, lead to a reallocation of their year 3 funding</p> <p>To refine the CSD strategy to better achieve its goals</p> <p>To shape and justify future funding decisions and future funding mechanisms</p> <p>NB: GPAF agencies are managed by the GPAF manager (see below)</p>
CHASE	<p>Insights into countries, sectors, current situations and lessons from the field</p> <p>Assessment of which organisations are performing effectively and the impact they are having</p>	<p>To ensure that CHASE's policy recommendations are relevant to what is happening in the field and take into account the broader social and political context</p>
DFID Policy Division	<p>Insights into civil society work and policy implications for poverty alleviation</p>	<p>To contribute to broader evidence base for improved policy and programming</p>
Civil Society Organisations	<p>Assessment of their performance</p> <p>Lessons learned from other CSOs working in the field</p>	<p>To improve their programmes, performance and results</p>
GPAF Manager	<p>Assessment of which organisations are performing effectively and the impact they are having enabling the fund manager to support improvements in the</p>	<p>To manage the performance of grantees</p> <p>To ensure that the fund</p>

⁴ It is understood that all stakeholders will be interested in all results of the evaluation, this table simply seeks to highlight their priority areas of interest.

Stakeholder	Key information requirement	How the information will be used
	<p>delivery of projects</p> <p>Understanding of the key strengths and weakness of funding modalities and fund management mechanisms, including an assessment of which funding model is the most effective for meeting DFID's purposes</p> <p>Insight into the most effective organisations, intervention combinations and environmental prerequisites for achieving results</p>	<p>management mechanism is maximising performance of grantees</p> <p>To inform recommendations for future funding decisions</p>
GPAF Board	<p>Assessment of which organisations are performing effectively and the impact they are having enabling the fund manager to support improvements in the delivery of projects</p> <p>Understanding of the key strengths and weakness of funding modalities and fund management mechanisms, including an assessment of which funding model is the most effective for meeting DFID's purposes</p> <p>Insight into the most effective organisations, intervention combinations and environmental prerequisites for achieving results</p>	<p>Direct the implementation of GPAF funding to ensure that the fund is achieving its objectives.</p>

2 APPROACH AND METHODOLOGY

The Evaluation Strategy of PPA and GPAF is based on DFID's strategic rationale for supporting civil society. This rationale is captured in two theories of change. The *Causal* Theory of Change addresses the question *why should DFID support civil society?* and the *Business Case* Theory of Change considers *how should civil society organisations be funded?* These theories of change were developed in consultation with DFID and a range of other stakeholders. An overview of these theories of change can be found in Annexes 2 and 3.

The Evaluation Strategy will assess the performance, additionality and value for money achieved by grantees and the funding mechanisms against their stated objectives and the theories of change.

An overview of the approach is provided in the main body of the text and the full methodology is provided in the annexes:

Principles of evaluation	Section 2.1
Assessing performance and effectiveness	Annex 5
Impact assessment and additionality	Annex 6
Testing the theories of change	Annex 4

2.1 Principles of the evaluation strategy

The design of the evaluation strategy has been informed by 4 key principles, namely:

- **Proportionality** - the Evaluation Strategy will be sensitive to the relationship between performance and the size and type of organisation, as well as the amount of funding it is receiving. The investment in evaluation activity should itself represent value for money and methodologies applied at the grantee level should be justified by the level of expenditure involved, and the extent to which the evaluation is able to produce useful and meaningful results.
- **Relevance** - the evaluation will examine the assumptions and concepts implicit in the theories of change that are of interest to DFID and the sector generally.
- **Context** - when assessing value for money the evaluation will take account of the purpose of each intervention and the difficulties of reaching target populations in order to make meaningful comparisons. It will also consider the difficulty of ascertaining intermediate and ultimate benefits over short to medium-term timescales.
- **Gender** – The Evaluation Strategy recognises the importance of taking a 'gendered perspective' to understanding poverty and interventions designed to address it. All evaluation activities should be sensitive to gender and its bearing on design, implementation, performance of interventions and the results achieved by grantees.

2.2 Assessing performance and effectiveness

The performance assessment is comprised of two components:

- The grantee level assessment which assesses:
 - a) the extent to which grantee organisations are performing against their objectives⁵;
 - b) the extent to which grantee organisations and achievements align with DFID's theories of change (annex 2 and 3);
 - c) the additional benefits realised as a result of DFID's funding and its attributable contribution to organisational effectiveness and the results set out in grantees' logframes; and
 - d) the value for money achieved by organisations in delivering DFID-funded activities.
- The **fund level assessment** which assesses:
 - a) the extent to which the PPA and GPAF funding mechanisms are achieving their objectives;
 - b) the extent to which the performance of the funds aligns with DFID's theories of change (annex 2 and 3); and
 - c) the additionality and value for money of the funding mechanisms as a whole.

2.2.1 Performance assessment criteria

The performance assessment will be based on a standard set of criteria adapted from the OECD DAC standard⁶. 'Impact' has been renamed 'results' to avoid confusion with the overarching results chain. 'Sustainability' has been integrated with the 'effectiveness' and 'results' criteria, recognising that sustainability refers to the continuity of results that typically have been achieved due to an effective approach to delivery. The key performance assessment criteria are defined as follows:

Relevance – doing the right things

Grantee level: do the grantees respond to the needs and priorities of their constituencies whilst striking a balance between achieving the greatest impact and reaching the poor and marginalised?

Fund level: do the fund portfolios contribute to delivering DFID's strategic plan, especially in regard to poverty alleviation, the achievement of the Millennium Development Goals, and good governance?

Effectiveness – doing the right things, in the right way

Grantee level: how effective are grantees in terms of: adding value; learning to improve programmes; their organisational effectiveness and benefit to the sector as a whole; their capacity to innovate and channel this into benefits for the sector; their partnership approach; and their ability to assess and understand how their interventions change lives and reduce poverty?

Fund level: how effective are each of the funding mechanisms in achieving their objective in adding value to grantees and influencing the sector as a whole? ⁷

⁵ This is reflected in grantees' initial applications and their logframes. For PPA holders this is also reflected in the business cases prepared by DFID to justify funding.

⁶ http://www.oecd.org/document/22/0,2340,en_2649_34435_2086550_1_1_1_1,00.html

⁷ The assessment will look at the strengths and weaknesses of the PPA and GPAF funding mechanisms, but will not seek to compare them.

Efficiency - doing the right thing, in the right way, at the right cost

Grantee level: to what extent are grantees able to provide evidence of their cost effectiveness and as such demonstrate an understanding of their costs, the factors that drive them, the linkages to their performance and an ability to achieve efficiency gains?

Fund level: to what extent is each of the funding mechanisms delivering funding efficiency gains as a result of benefits associated with the funding modality?

Results - doing the right thing, in the right way, at the right cost, to achieve results that would not otherwise have been achieved

Grantee level: are grantees achieving what they set out to achieve (as described in the logframe) and is this changing lives and strengthening civil society?

Fund level: what is being achieved at fund level that would not otherwise have been achieved?

While these criteria are standard across the funding portfolios, the criteria are weighted different for each funding strand.⁸ The weighting reflects the diverse foci and priorities of the different strands.

2.2.2 Grantee level performance assessment

Grantees will be assessed against their objectives and against the theories of change. For PPA agencies this refers to the organisation's performance in areas directly or indirectly related to PPA funding and for the GPAF agencies this relates to the performance of the project that has been funded. In addition to assessing the performance of grantees, the Evaluation Manager will assess the **additionality** of DFID funding – in other words the benefits that DFID funding has enabled grantees to deliver that they would not have been delivered without this funding.

Based on the performance assessment of individual grantees, the evaluation will rate the grantees as high, medium and poorly performing and this will be summarised across each funding portfolio. The performance assessment process and an overview of how this information will be used is summarised in Annex 5.

2.2.3 Performance-based allocation of year 3 funding of PPA

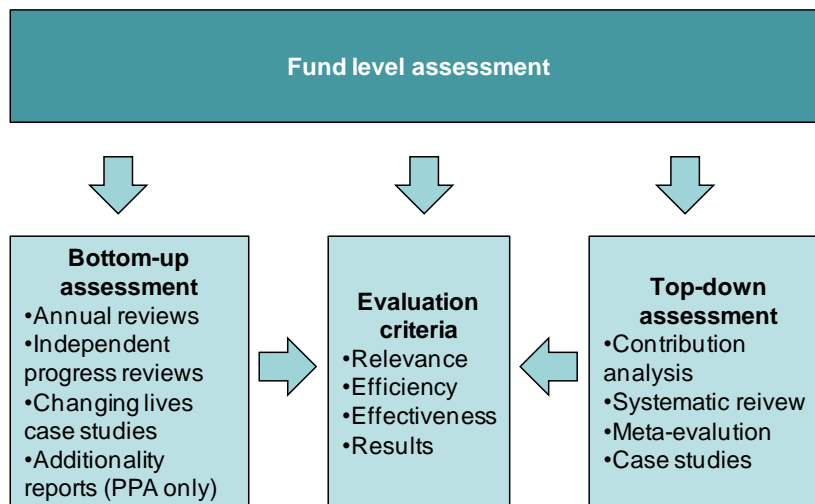
It is intended that performance assessments of individual PPA holders will inform future funding decisions. The timing of the independent progress reviews, mid-term assessments and meta-evaluation by the Evaluation Manager ensures that as much evidence as possible informs PPA DFID's funding allocations in year 3 of the programme. It is essential that DFID is able produce the most comprehensive and rigorous evidence possible to make evidence-based and value-based judgements concerning the most appropriate channels for disbursing its civil society funding to achieve its policy objectives. To this end, the funding allocation process will be determined by consideration of evidence of past performance of grantees and an assessment of the extent to which grantees are able to deliver DFID's current and future policy and programming priorities. The assessment criteria defined in this evaluation strategy represent the criteria that will be used to inform funding allocation decisions.

⁸ This includes PPA General, PPA CHASE, GPAF Impact and GPAF Innovation.

2.2.4 Fund level performance assessment

The fund level assessment will comprise both bottom-up and top-down analyses as illustrated in the figure 2 below. The bottom-up assessment will analyse reports including grantees' annual reviews, independent progress reviews and the Evaluation Manager-led primary research. The top-down assessment will assess the extent to which DFID benefits from the funds and the ways in which these benefits are realised. At a macro level, the funds contribute to DFID's higher level objectives, namely poverty alleviation, the achievement of the Millennium Development Goals, and good governance.

Figure 2: Framework for the fund level assessment



2.3 Impact assessment and additionality

This section sets out the proposed approach to assessing additional impacts achieved by grantees through DFID's funding. It starts by explaining the fundamental principles that underpin the assessment of impact and the type of techniques that are typically used to undertake quantitative analysis. The purpose here is **not to prescribe that all grantees should apply these and only these quantitative techniques**. The intention is to provide an overview of a robust approach that should be considered if appropriate, cost-effective and proportionate to do so. The section also stresses the **importance of a mixed-methods approach** to the impact assessment that uses qualitative research to provide an explanation of 'why' and 'how' the programme is affecting the type and scale of changes that are quantitatively assessed.

The section concludes by providing guidance on contribution analysis, which adopts a theory of change approach to evaluation. This approach is informed by a wide range of evidence sources and perspectives brought together to produce a 'plausible' assessment of the 'contribution' of grantees to higher level outcomes and impacts. This Evaluation Strategy is first and foremost concerned with ensuring that grantees are able to produce the most robust evidence possible by rigorously using evaluation approaches and research tools that best suit the variety of ways in which DFID funding has been used across both the PPA and GPAF portfolios.

Impact assessment is defined here as the 'net' impact that an organisation or project intervention has in terms of the *additional benefits realised that are directly attributable* to the activities delivered by the organisation or project intervention. The *additionality* of the funding is of key importance for DFID as it

is crucial to understanding the net impact of its interventions. Additionality is defined as “*an impact arising from an intervention is additional if it would not have occurred in the absence of the intervention*”.⁹

Typically, this requires a comparison between what actually happened (i.e. factually) and what would have happened in the absence of the intervention, otherwise called the counterfactual. The fundamental evaluation problem that all impact assessment faces is that we cannot observe what would have happened if the intervention had not happened to those already affected by the intervention. Therefore impact evaluation requires a rigorous approach to establishing the counterfactual. The most robust way to do this is to compare the outcomes achieved by those who benefited from an intervention with the outcomes achieved by a group of people who are similar in every way to the beneficiaries, except that they were not subject to the project intervention being evaluated i.e. by using a comparison or control group. This approach to the assessment of impact and additionality typically involves experimental or quasi-experimental approaches and methodologies.

Depending on the level of expenditure and ‘evaluability’¹⁰ of the type of investment or intervention, the expectation is that the additionality and impacts of DFID’s funding should be quantitatively assessed as far as possible. This does not preclude qualitative methodologies, which are required to ensure that any evaluation of impact is firmly grounded in the context of a grantee’s activities. Crucially, a mixed-method approach provides a qualitative explanation of ‘why’ and ‘how’ the programme is affecting the type and scale of change assessed through quantitative research.

2.3.1 Acknowledging the impact attribution problem

The higher level objective of PPA and GPAF funding is to alleviate poverty by strengthening civil society and in doing so, contribute to the achievement of the Millennium Development Goals, and good governance. These goals are at the highest level and DFID’s investment through PPA and GPAF to achieving them is relatively insignificant in the context of the global corpus of interventions aimed at alleviating poverty. Moreover there are a large number of very important external factors which will influence the results achieved. For these reasons, experimental or quasi-experimental approaches to credibly assessing impacts may be difficult to achieve. Under these conditions it is necessary to consider alternative methods for assessing the funds’ ‘contribution’ to change that do not solely rely on quantifying ‘attributable’ change.¹¹

2.3.2 Contribution analysis

Whatever the evaluation methodology employed, it is essential that a rigorous assessment of a grantee’s additionality is undertaken. At the very least this should result in a ‘plausible’ account of the difference that DFID’s funding has made to the effectiveness and performance of grantees. Contribution analysis is an approach that can help grantees overcome the attribution problem by systematically constructing an evidence-based and plausible assessment of changes that would not have happened without the support of DFID’s funding.

⁹ HMT Green Book

¹⁰ *Evaluability* is defined in this context as the extent to which grantees’ activities can be measured to produce reliable evidence-based judgements of performance, impact and value for money.

¹¹ Please see the Key Evaluation Terms document and the NONIE paper on impact evaluation for more guidance

Contribution analysis¹² involves assessing the 'contribution' that the funding is making or has made through an evidence-based approach to verifying the plausibility of theories of change that underpin the ways grantees have used DFID funding to:

- indirectly 'enhance' the delivery of results (in the logframe) in the majority of cases for PPA grantees; or
- directly delivery results (in the logframe) in the majority of cases for GPAF grantees.

Contribution analysis entails a more pragmatic, inclusive and iterative evaluation process than more experimental methods that for some grantees may not be feasible or practical given the variety of ways in which DFID funding is being used.

Contribution analysis involves the following 6 steps¹³ that typically a grantee would follow:

Step 1: Develop a theory of change and the risks to it

- Establish and agree with stakeholders a 'plausible' theory of change that accurately reflects the ways in which DFID funding has been used to deliver or enhance the delivery of planned results. Specifically focus on the cause and effect relationships at each stage in the impact logic of the theory of change. For those grantees using DFID funding in ways that do not directly relate to results in their logframes, the Three 'circles of influence' (Montague et al., 2002) are useful in this respect¹⁴:
 - **direct control** – where DFID funding has fairly direct control of the results, typically at the output level;
 - **direct influence** – where DFID funding has a direct influence on the expected results, such as the reactions and behaviours of its target groups through direct contact, typically intermediate outcomes; and
 - **indirect influence** – where DFID funding can exert significantly less influence on the expected results due to its lack of direct contact with those involved and/or the significant influence of other factors.
- Grantees should identify and articulate the assumptions and external influencing factors that could affect the causal linkages in the impact logic.
- In the case of GPAF grantees where the link between DFID funding, outputs and outcomes is relatively direct, these linkages may be expressed in the logframe. In the case of PPA grantees where DFID funding has been used in an unrestricted /indirect way, these linkages and a theory of change will need to be developed that specifically focuses on how DFID funding has been used to enhance the delivery of results. This will result in a theory of change or impact logic that is presented differently than in grantee's logframe.

Step 2: Set out the attribution problem to be addressed

- Grantees should determine the specific cause and effect questions that each grantee needs to assess through the evaluation process; assess the nature and extent of the attribution problem by asking:

¹² Mayne, J., (2008) 'ILAC Brief 16 – Contribution analysis – an approach to exploring cause and effect', ILAC

¹³ Mayne, J., (2008) 'ILAC Brief 16 – Contribution analysis – an approach to exploring cause and effect', ILAC

¹⁴ Ibid

- What do we know about the nature and extent of the contribution expected?
- What would show that DFID funding has made an important contribution?
- What would show that DFID funding has 'made a difference'?
- What would indicate that DFID funding has had the effects envisaged in the theory of change underpinning the way in which the grant has been used?
- How difficult is it to evidence these effects and why?

Step 3: Gather existing evidence on the theory of change

- Grantees should gather evidence through routine monitoring /management data as far as possible. Whatever the nature of the theory of change underpinning how DFID funding has been used it is advisable to establish a baseline position in order to benchmark the progress made. For example, if DFID funding has been used to enhance human resource management of a grantee then a simple survey could be undertaken of a sample of project offices in order to establish the current state of human resource management from the perspective of those that benefit from it. Further questions could elaborate on the extent to which this enhances the capacity of project offices to deliver their activities and ultimately achieve their results.

Step 4: Assemble and assess the contribution narrative and challenges to it

- From the outset it is important to validate whether the theory of change and the assumptions that it depends on hold true. This validation process should be undertaken systematically and regularly in order to iteratively build up a convincing and plausible evidence-based narrative of the effects DFID funding is having in direct and/or indirect ways. It is also essential that this process involves relevant external stakeholders who are in a position to externally verify that the original theory of change and future observed changes are plausible and credible.

Step 5: Gather additional evidence

- This Evaluation Strategy provides guidance, tools and templates for gathering different types of evidence that could be required to supplement monitoring and management data. The type of evidence gathered will largely depend on the ways in which DFID funding is being used. Ideally, the evidence base would consist of a combination of quantitative and qualitative data focused on testing and proving a plausible theory of change that is specific to DFID funding.

Step 6: Revise and strengthen the contribution narrative

- This is a continuous process of testing and revising the theory of change that underpins the central argument that DFID's funding is making a difference. In this way contribution analysis has a formative effect in that it enables grantees to quickly understand whether or not DFID funding is being used in an optimal way to deliver the changes envisaged at the outset.

There are several analytical approaches that could be used to assess the additionality of DFID funding in addition to contribution analysis. However, the key reason for presenting this approach is to demonstrate that this Evaluation Strategy is fully committed to gathering the best possible evidence concerning the impact and value for money attributable to DFID funding however great the challenge is. Even if a scientific approach to impact evaluation is not possible or is inappropriate then at the very least the approach to assessing the additionality of DFID funding should be as plausible and rigorous

as possible, including evaluation designs and activities that entail predominantly qualitative research methodologies.

While responsibility for assessing the additionality of DFID funding rests with grantees, the independent evaluators who will undertake the independent progress reviews (IPRs)¹⁵ will be involved with the impact assessment. Where feasible, they should be involved as early as possible by grantees so that they can provide technical support to design the assessment or carry out the steps described above.

2.4 Testing the theories of change

The theories of change describing *why* and *how* DFID should fund civil society are based on assumptions and hypotheses relating to the relationships between organisations, funding, interventions, civil society, the poor and poverty alleviation.¹⁶ These assumptions were explored during a series of Theory of Change Workshops held with DFID and the GPAF Board. The Evaluation will:

- Assess to what extent individual organisations and their achievements align with the theories of change.
- Assess to what extent the PPA and GPAF align with the theories of change; and
- Test a number of the hypotheses in the theories of change which were identified as key interest areas by Stakeholders during the theory of change workshops. The hypotheses to be tested are expressed as evaluation questions and described further in Section 4 and Annex 4.

2.5 Value for Money Assessment Strategy

The approach to the assessment of value for money is intended to provide organisations using DFID funding with a flexible strategy that enables grantees to produce robust and credible evidence of value for money. The Evaluation Manager Team has engaged with the **Bond Effectiveness Programme** in developing this approach. In particular the approach has been designed to complement the background paper (2012) produced by Bond called '**Value for money: what it means for UK NGOs**'. The Evaluation Manager Team will continue to liaise and engage with the *Bond Effectiveness Programme* throughout the course of the evaluation to ensure that grantees are able to benefit from access to a range of complementary technical M&E support and resources.¹⁷

Value for money assessments will be made at both the grantee and fund level. This section will provide an overview of the Evaluation Manager's approach for assessing value for money, and helpful guidance to grantees on how to measure and report on value for money. Annex 12.2 contains a plain English glossary of evaluation and value for money terms to assist stakeholders to understand and better engage with value for money.

VfM Questions	Assessment approach	Assessment mechanism	Further information	Reporting mechanisms
To what extent are	Measurement Approach	<ul style="list-style-type: none"> • Cost effectiveness analysis • Cost benefit analysis 	s2.5.2, Annex 12	Annual review process and

¹⁵ See section 3.2 for further details on IPRs

¹⁶ For more guidance on Theory of Change, please see the paper by Comic Relief in the library of documents

¹⁷ For more guidance on Value for Money, please see the papers by BOND and DFID in the library of documents

individual grantees providing value for money?	Management Approach	<p>Review of management systems and processes relating to:</p> <ul style="list-style-type: none"> • Procurement • Planning • Financial systems • M&E and learning systems • Leverage • Delivery processes <p>Organisational review of:</p> <ul style="list-style-type: none"> • Type and scale of costs • Influencing factors • Efficiency gains 		Independent Progress Reports
To what extent are the GPAF and PPA funding mechanisms providing value for money?	Synthesis of grantee-level VfM evidence	<ul style="list-style-type: none"> • Systematic review • Meta-evaluation 	s2.5.3, Annex 5	Annual value for money report
	Aggregate assessment of costs and additionality	<ul style="list-style-type: none"> • Secondary data analysis 		

2.5.1 General approach to value for money assessment

Given the range of different types of interventions within the PPA and GPAF it is essential that, as far as possible, the *distinctive 'value'* delivered by each grantee organisation is clearly defined and evidenced in ways that captures both qualitative and quantitative benefits. Accordingly the assessment of the value for money from GPAF and PPA funding requires a range of potential tools and techniques¹⁸ to enable an appropriate but explicit assessment of the extent to which the value of the benefits achieved justify the costs incurred.

The value for money arising from PPA and GPAF funding is largely determined by the extent to which efficiency gains are achieved and evidenced throughout the lifetime of the grant.

'3E's approach: our approach to assessing the cost-effectiveness and value for money of individual grantees and the fund is framed by a '3E's approach'¹⁹ that considers the key components of value for money as economy, efficiency and effectiveness.

Figure 3 below sets out the key components of value for money that represents an impact chain (or logic chain) linking the allocation of financial resources to outcomes. The diagram below relates the

¹⁸ Palenburg, M. (2011): Tools and methods for evaluating the efficiency of development interventions. Evaluating Working Papers. Bonn: Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung

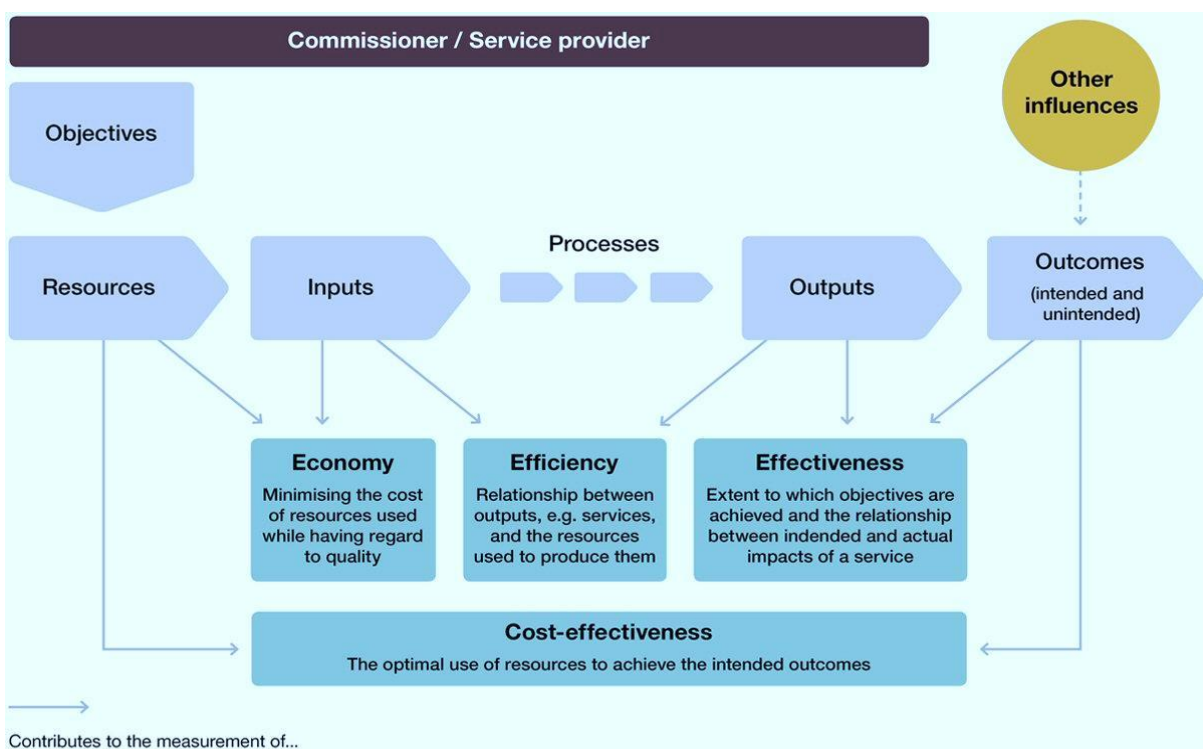
¹⁹ ODPM (2004) 'Assessing the Impacts of Spatial Interventions – Regeneration, Renewal and Regional Development – The 3Rs Guidance'

DFID (2011) 'DFID's Approach to Value for Money (VfM)'

impact chain to the overall value for money i.e. the total outcomes achieved for the total costs incurred, broken down into the following components²⁰:

- **Economy** – the cost of the inputs; are the necessary inputs (e.g. human resource costs, travel costs, accommodation costs, IT costs etc.) being secured at the minimum necessary cost? In other words, are you *doing things at the right price*;
- **Efficiency** – the ratio of inputs to outputs; are outputs being produced efficiently? In other words, are you *doing the right things at the right price*; and
- **Effectiveness** – the link between outputs and outcomes; to what extent do the outputs translate into the anticipated outcomes? In other words, are you *doing the right things at the right price, in the right ways*.

Figure 3: Value creation throughout the project lifecycle



Source: adapted from ODPM (2004), Assessing the Impacts of Spatial Interventions

The value for money assessment approach set out in this strategy is consistent with the *HMT Green Book and Magenta Book* and closely adheres to the latest guidance on value for money, in particular:

- DFID's Approach to Value for Money (VfM), July 2011, DFID
- ICAI's Approach to Effectiveness and Value for Money, November 2011, ICAI
- BOND's Value For Money Approach and What It Means for UK NGOs, January 2012, BOND²¹

²⁰ Ibid

²¹ Please see all of these Value for Money materials in the library of documents (annex 11) for more guidance.

2.5.2 Value for money assessment at the grantee level

There are two main approaches through which grantees can assess and report on value for money in line with the '3E's approach described above:

- **A measurement approach** which focuses on cost optimization through measurement and comparative assessment to determine: whether grantees have achieved the quantity and quality of the inputs, outputs and outcomes required at the 'least' cost; and a comparative assessment of all lifetime benefits and costs to provide a social and economic return on DFID's investment; and
- **A management approach** which focuses on an assessment of the extent to which *key management processes and resource allocation decisions* made at each stage of the implementation process results in the efficient delivery of higher value inputs, activities, outputs and ultimately outcomes and impacts.

Detailed description of both approaches and how they might be applied is provided in Annex 12.

2.5.3 Value for money assessment at the fund level

The analysis and findings gathered at the grantee level will be collated and analysed as part of the systematic review /meta-evaluation process. This part of the assessment considers how well DFID has allocated and managed the use of the resources at its disposal to deliver sustainable impacts for those who are poor and disadvantaged.

The meta-evaluation should be able to provide a value for money assessment that articulates and demonstrates the efficiency of the different funding modalities. The efficiency assessment of different funding modalities is measured by fund performance assessment criteria measuring additional and attributable synergetic, catalytic and leadership effects. A systematic review of the realisation of these effects at the grantee level will be complemented by analysis of the high level fund management and administration costs associated with the disbursement of funding. Appendix 5.4 provides a summary of the key criteria that will be used for assessment of the value for money derived at the fund level.

2.5.4 Reporting on value for money

Grantees are required to report on value for money as part of the annual review process. An assessment of organisations' value for money will also be made through the independent progress reviews.

The Evaluation Manager will produce a standalone *Value for Money Report* in Year 2 of PPA funding and annually thereafter.

Purpose: the purpose of this report is to present a value for money assessment that enables DFID to draw conclusions on which types of interventions or combination of interventions represent 'best' value for money. The Annual Value for Money Report will present DFID with usable data and analysis concerning the relationship between costs and benefits and linkages to the performance of different types of civil society interventions such as service delivery, advocacy, capacity building etc.

Formative²² assessment of value for money: the annual value for money report effectively represents a formative assessment of the value for money delivered by grantees because of the interim nature of the annual assessments at different lifecycle stages in the implementation of PPA

²² *Formative assessment* is primarily concerned with improving programmes in real-time by assessing whether or not the process of delivering activities is affecting the desired changes or *likely* to affect the desired changes in the short-term

and GPAF funded activities (refer to Figure 3 above). At the early stages of implementation the assessment of value for money should focus on how efficiently and effectively the 'resources' available have been used to provide the 'inputs' that grantees require to deliver the proposed planned activities. Depending on the stage of implementation, the value for money will also consider the extent to which the inputs provided are efficiently and effectively delivering the required 'outputs'.

Summative²³ assessment of value for money: a summative assessment of value for money will be provided by the Evaluation Manager as part of the final evaluations of the PPA and GPAF. This assessment focuses on the impacts and value for money derived from the longer-term effects of grantees.

²³ *Summative assessment* examines the effects or outcomes of the intervention by describing what happens subsequent to delivery of the activities; assessing whether the activities can be said to have caused the desired outcomes; determining the overall impact of the causal factors beyond the immediate outputs and the relative costs associated with the intervention under evaluation

3 SOURCES OF EVIDENCE

In order to answer the evaluation questions, data will be drawn from a variety of sources and triangulated. The table below provides an overview of the evaluation questions and which sources of data will be used to inform them. This is followed by a brief description of how the sources of evidence will be gathered. Enquiries into how organisations and their interventions relate to the 'most poor and marginalised' recognise that women and girls are disproportionately affected by poverty and often make up a significant part of these groups.

Evaluation Question	APR	Changing Lives Case Study	IPR	DFID Learning Case Study	Theory of change case study	Additionality Report	Meta logframe	Verification case study
Testing the Causal Theory of Change								
What are the necessary pre-requisites for interventions to be effective (i.e. external environment, DFID involvement, supporting interventions, gender mainstreaming, strength of partnerships and/or coalitions)?	x	x	x	x	x		x	x
What might be effective combinations of interventions to achieve results in different areas?	x	x	x		x		x	x
To what extent are civil society organisations and their partners unique in their local knowledge, legitimacy with and trust from the communities they work with (especially the poorest and most marginalized) and their ability to deliver in areas where Government or donors cannot?	x	x	x	x	x		x	x

Evaluation Question	APR	Changing Lives Case Study	IPR	DFID Learning Case Study	Theory of change case study	Additionality Report	Meta logframe	Verification case study
How are CSOs encouraging citizens to do things for themselves?	x	x	x		x		x	x
To what extent do CSOs reach the most poor and marginalised?	x		x				x	x
Does empowerment lead to more accountable government?	x		x				x	x
The “sustainability hypothesis”: Direct service delivery is localised and unsustainable, whereas civil society holding government to account leads to broader and more sustainable results	x	x	x	x			x	x
To what extent does funding civil society organisations add value to what DFID could do independently or through other actors? What type of actors/interventions work to support DFID policy and programmes?	x	x		x	x			x
Testing the Business Case Theory of Change								
What effect does the funding model/mechanism have on the performance and behaviour of grantees (especially in the areas of learning and innovation)? How can this be leveraged to maximise value for money?	x			x				x

Evaluation Question	APR	Changing Lives Case Study	IPR	DFID Learning Case Study	Theory of change case study	Additional Report	Meta logframe	Verification case study
What is the distinctive value of different types of organisations in delivering the critical success criteria outlined in the Business Case Theory of Change?	x	x	x				x	x
Performance Assessment								
Which organisations provide the best value for money?	x		x					x
What is the most effective funding mechanism? ²⁴	x		x	x			x	x
How many people are being reached through the GPAF and PPA and how are their lives changed?	x	x	x					x
To what extent does DFID funding achieve additionality?	x		x			x		x
To what extent are organisations achieving and documenting results and using evidence to improve performance?	x		x	x				x

²⁴ This question is not designed to be a comparison between GPAF and PPA as grant mechanisms, but rather an appraisal of the strengths and weaknesses of funding mechanisms in achieving the overarching objectives of the Civil Society Department

Evaluation Question	APR	Changing Lives Case Study	IPR	DFID Learning Case Study	Theory of change case study	Additionality Report	Meta logframe	Verification case study
To what extent are interventions sustainable?	x	x	x					x
Are the grantees generating, sharing and using learning? To what extent is DFID taking up the learning?	x		x	x				x

3.1 Annual Review Process (ARP)

The annual review process (ARP) for PPA grantees will be led by DFID and requires grantees to report against their logframe and provide a more general report which provides narrative around the outcomes achieved, challenges faced, lessons learned and other relevant areas. DFID will assess the reports submitted and provide feedback to PPA holders. The first ARP for PPA grantees will take place one year into the funding period, with subsequent ARPs at yearly stages. (Please also refer to the timeline presented in section 6)

In addition, the Evaluation Manager will undertake a light-touch assessment of the individual annual reports submitted through the ARP by PPA grantees. This will be incorporated into the feedback provided by DFID to the PPA grantees.

The annual review process for GPAF grantees will be led by the GPAF Fund Manager. Further information regarding the ARP for GPAF grantees, the role of the Evaluation Manager and feedback channels will be provided at a later stage.

DFID has finalised the ARP for PPA grantees (including the scoring and assessment). DFID is currently finalising the ARP for GPAF grantees. Annex 7 provides an overview of the process, indicating the roles and responsibilities of the key stakeholders and the expected timeframes.

Grantees' annual reports will be a key part of the impact assessment (both at grantee and fund level) and will also feed into other components of the evaluation.

3.2 Independent Progress Reviews (IPR)

Independent Progress Reviews (IPR) are independent evaluations that are commissioned by grantees to assess the performance of organisations and the impact of DFID funding.

- **PPA grantees** are expected to commission and manage Independent Progress Reviews at the mid-term evaluation stage (18 months into funding) and final evaluation stage (36 months into funding).
- **GPAF grantees** are not required to commission an IPR at the mid-term stage but are required to commission an IPR during the final stages of their project.

The IPR will:

- Report on grantees performance against the performance assessment criteria (see annex 5);
- Verify grantees' assessment of the additionality of DFID funding (see annex 7); and
- Verify grantees' reporting within regards to changing lives (see annex 9).

The Evaluation Manager has prepared draft terms of reference for the IPR and these are included in Annex 8 along with a detailed overview of the IPR process, outlining the key roles and responsibilities. As noted in section 2.3, the IPR will be a key part of grantees' impact assessment. In order to ensure the quality of assessment, it is advised that the evaluator be commissioned as early as possible to design the impact assessment and allow organisations sufficient time for consultation and to collect relevant data and information throughout the lifetime of the grant.

3.2.1 Proportionality in relation to the IPRs

The need for proportionality is a key principle underpinning this Evaluation Strategy. It is recognised that amount of funding, as well as the size and capacity of organisations varies greatly across the PPA and GPAF portfolios.

While the IPR commissioned by organisations must respond to all elements of the TOR, the cost and scope of the IPR should be proportionate to the amount of funding received by grantees. General guidance is that **evaluation costs should represent 3-5% of the total funding allocation**. It will be for each organisation to determine exactly how much it is reasonable for them to spend on their IPR.

The indicative level of expenditure suggested for evaluation activity is provided as a **'rule of thumb' guide only**. This range is based on the experience of evaluation commissioners and practitioners and reflects what the Evaluation Manager believes is a reasonable proxy for the amount of evaluation work that would need to be undertaken given the amount of funding being evaluated. This is based on the premise that the greater the expenditure the greater the amount of evaluation activity required to measure the performance and impact of the scale and type of funded activities - this certainly holds true for project-specific grants (such as GPAF) where project activity is directly attributable to DFID funding. This premise is less robust for grantees with a lot of money or very little money, which therefore **requires a common-sense approach to be taken to the commissioning process**.

Typically for grantees receiving more modest allocations the scope for applying resource-intensive quantitative methodologies would be limited. However, even a limited amount of input from an independent evaluator can add considerable value to the evaluation process and help demonstrate the impact of well targeted investments – for example, by undertaking a combination of independent desk-based research and a limited amount of qualitative research to provide a critical assessment of performance. For the purpose of ensuring a proportionate approach, **the Evaluation Manager, together with DFID Policy Advisors and Programme Managers will provide advice to PPA grantees receiving smaller amounts of DFID funding, or those who use it to support a limited set of outcomes**, to ensure that the evaluation process is itself value for money. It is envisaged that similar support will be provided by the Fund Manager to GPAF grantees.

3.3 Case Studies

There will be a number of case studies conducted as part of the evaluation, led by both the Evaluation Manager and the grantees:

- a) verification case studies (led by the Evaluation Manager);
- b) theory of change case studies (led by the Evaluation Manager);
- c) DFID learning case study (led by the Evaluation Manager);
- d) additionality report (led by PPA grantees); and
- e) changing lives case studies (led by PPA and GPAF grantees).

The case studies *led by the evaluation manager* will not require 'substantive work' from grantees. Research and reporting will be undertaken by the Evaluation Manager. Grantees may be asked to participate in interviews, make existing documents available and facilitate the research process but the burden on grantees will be kept to a minimum as far as possible.

Details of the case studies are summarised in table 4 below, and detailed in the sections below. Further guidance on the case studies, including the selection process, is contained in annexes 5, 6 and 9.

Table 4: Guidance on case studies

Detail	Verification Case Study	Theory of change case studies	DFID Learning case study	Additionality report	Changing lives case study
Purpose	To verify the reports of grantees	Test the hypotheses and assumptions made in the theories of change	Determine to what extent DFID is taking up and applying learning generated	Evidence the additionality effects of DFID funding	To understand how and to what extent grantees impact on the lives of the poor and marginalised
Responsibility	Evaluation Manager	Evaluation Manager	Evaluation Manager	PPA Grantees	Grantees
Timeframe	Verification visits will be conducted throughout 2012 and 2013	Evaluation visits will be conducted throughout 2012 and 2013	June 2013	Grantees will submit an additionality report as part of the annual review process in April each year	Grantees will submit changing lives case study as part of the annual review process in April each year
Number of case studies to be conducted	30	14	1	All PPA grantees ²⁵	All PPA & GPAF grantees
Reference in strategy	Annex 5, appendix 5.3	Annex 4	Annex 5, appendix 5.5	Annex 6	Annex 9

3.3.1 Verification Case Studies

As part of the assessment of grantee performance, the evaluation manager will carry out approximately 30 evaluation visits to GPAF and PPA grantees in order to verify the results reported in the annual reviews and independent progress reviews.

The selection of grantees will be based on:

- sector
- profile
- geography
- funding
- approach

²⁵ GPAF Grantees will be required to report on additionality as part of the annual review process and are encouraged to read Annex 6 for an understanding of how additionality and attribution have been contextualised in the Evaluation Strategy

In order to verify grantee reporting, the Evaluation Manager will use a combination desk research, face-to-face and telephone interviews and project country visits, relying on both primary and secondary data. Further details about the verification case studies are provided in Annex 5, appendix 5.3.

3.3.2 Theory of Change Case Studies

There are a number of assumptions and hypotheses in the causal and business case theory of change (see annexes 2 and 3) relating to the contribution of civil society to poverty alleviation and DFID's funding policy respectively. The Evaluation Manager will test these hypotheses and assumptions through a combination of systematic reviews and case studies (for a more detailed approach see Annex 4).

The Evaluation Manager will undertake approximately 14 case studies across the GPAF and PPA portfolio. The case studies will be selected according to:

- geography
- funding
- funding per capita
- fragility
- transparency and accountability

The case studies will involve desk research, face-to-face and telephone interviews and country visits and will be undertaken throughout 2012 and 2013. Further information on the 'theory of change' case studies can be found in Annex 4.

3.3.3 DFID Learning Case Study

One of the key performance assessment criteria at fund level is the extent to which DFID learn from grantees and grant funding in order to improve their programming and ensure value for money for taxpayers. There will be a case study which will specifically assess how learning from the GPAF and PPA is accumulated and used, and what are determinants of this process.

This case study will take place in June 2013 after the second round of annual reviews and will be led by the Evaluation Manager. Further details of the DFID Learning Case Study can be found in Annex 5, appendix 5.5.

3.3.4 Additionality Report

An extremely important element of both the grantee and the fund level evaluation is understanding the effect that DFID funding has on the results achieved by grantees. In order to spend their money as effectively as possible, DFID need to understand:

- how DFID funding helps organisations to deliver enhanced results (**additionality**); and
- to what extent DFID funding is responsible for the results achieved (**attribution**).

All Grantees will be required to report on additionality and attribution as part of the annual reporting process in April each year:

- **GPAF grantees** will report on additionality in the annual review template
- **PPA grantees** will be required to submit a separate additionality report.

Detailed guidance on additionality and reporting templates are provided in Annex 6.

PPA grantees will be required to provide a self-reported verified assessment of their additionality at the same time as the submission of the Annual Review Process. Annex 6 provides the methodology for the self-assessment of additionality at the grantee level.²⁶

GPAF grantees are not required to submit a separate Additionality Report. Instead, GPAF grantees will be asked to demonstrate additionality as part of the Annual Review reporting requirements.

3.3.5 Changing Lives Case Studies

PPA and GPAF grantees are requested to complete Changing Lives Case Studies during the annual reporting processes in April of each year.

Understanding how grantees interact with beneficiary populations and gathering evidence on what factors influence success and failure is extremely important in testing the theories of change around why and how civil society should be funded. Through the changing lives case studies, grantees will be asked to report on best, typical and worst case scenarios and to provide qualitative evidence around how and why their interventions were or were not successful in changing lives. This evidence **will not** be used to judge grantee performance, but to better understand strengths and limitations of civil society interventions more generally.

3.4 Meta-logframe /database reporting

Three meta-logframes have been developed: one for the General PPA, one for the CHASE PPA and one for the GPAF. Each logframe draws together grantees' outcome indicators under common sectors (e.g. health, education) and domains of change (e.g. access, policy change, mobilisation). Information will be held on a database that will allow outcomes baselines, milestones, targets and achieved results to be presented and summarised under relevant sectors/domains, to help provide a better overall view of achievements (or failures) at portfolio level. The Evaluation Manager will design, maintain and implement the database. A formal report against the meta-logframes will take place at regular intervals, tied into key reporting stages such as the annual review process. The database is designed to be live so that it can be interrogated by DFID and the Evaluation Manager as required.

In addition, each grantee's output statements and indicators have been mapped onto the same sectors and domains. This means that reports on the meta-logframe can also show outputs that contribute to those sectors/domains.

For the General PPA only, a set of common output indicators have been developed. This includes:

- Number of people / households / communities directly or indirectly supported or reached
- Number and type of resources produced
- Number of groups trained / provided with capacity support
- Number and type of policy influencing activities carried out
- Number and description of initiatives designed to support women and girls directly

Grantees' individual output indicators have been mapped onto these common indicators to allow for a greater degree of aggregation across common output areas. These areas are discussed more fully in the meta-logframe documents in Annex 10²⁷.

²⁶ Please see the ERDF guide to additionality in the library of documents

4 DELIVERABLES

The evaluation findings will be presented through a number of key deliverables which are described in the table below, along with an overview of the timeframe and dissemination process.

The outputs of the evaluation will inform these key areas and be presented in the following format:

Deliverable	Content	Format	Timeframe	Dissemination process
Grantee support ²⁸	Guidance on how to develop a logframe and baselines Advice on appropriate evaluation methodologies. Advice on generating usable data on costs, benefits, success rates and lessons from civil society interventions Best practice principles and standards in evaluation	Various (incl. written & telephone advice; guidelines)	Ongoing	The GPAF manager will manage the dissemination process
Database	Evaluation Manager will design, maintain and implement a database that will allow outcomes baselines, milestones, targets and achieved results to be presented and summarised under relevant sectors/domains, to help provide a better overall picture of achievements (or failures) at portfolio level. The database is primarily designed to hold and interrogate information on the funded organisations rather than perform any calculated functions, beyond sorting information according to relevant criteria.	Oracle Database	Ongoing	The database is designed to be live so that it can be interrogated by DFID, grantees, or the Evaluation Manager as required
Thematic papers	5 short thematic final evaluation reports relating to the GPAF on a range of themes to be determined, but which may include: gender, a specific thematic focus on one or more MDGs, a regional report etc.	Report	Years 3 and 4	Evaluation Manager submit documents to DFID. DFID will determine dissemination process

²⁸ This is primarily targeted to GPAF organisations

Deliverable	Content	Format	Timeframe	Dissemination process
Lessons learned workshops and workshop reports	Series of grantee workshops on lessons learned. Principal aim of the lessons learned workshops and workshop reports is to increase CSOs awareness of benefits of functioning M&E systems	Workshops, workshop reports	2 workshops in total, 1 in year 2 and the other in year 4	Evaluation Manager will organise and deliver workshops in collaboration with GPAF Fund Manager. Evaluation Manager will manage submission to DFID
Value for money report	Stand alone Value for Money report to provide DFID with usable data and analysis concerning the relationship between costs and benefits and the linkages with the performance of different types of civil society interventions	Report	Annually	Evaluation Manager will submit reports to DFID
6 monthly reports	<p>A financial report on evaluation of the GPAF and PPA, including details of efficiency savings developed and implemented</p> <p>An overview of the competence and usefulness of all evaluations completed by grantees, listing key points of interest and any areas of concern</p> <p>An overview of the performance of the evaluation function of each GPAF grantee and PPA organisation against evaluation best practice, together with recommendations of how evaluation can be further strengthened in the civil society sector</p> <p>Recommendations for any changes to guidance or procedures on how grants are appraised and evaluation is managed in the GPAF or the PPAs</p>	Report	6 monthly	Evaluation Manager submit reports to DFID

Deliverable	Content	Format	Timeframe	Dissemination process
PPA Mid-term evaluation report	The mid-term evaluation report will provide a preliminary assessment on the effectiveness of the funding model, as well as some evidence around the underlying assumptions in the theory of change. The mid-term evaluation will draw on grantees own reporting as well as the independent evaluations commissioned by each organisation	Report	November 2012 ²⁹	Evaluation Manager will submit reports to DFID
GPAF Mid-term evaluation report	The mid-term evaluation report will provide a preliminary assessment on the effectiveness of the funding model, together with a formative assessment of the underlying assumptions of the theory of change that underpins the rationale for the fund..The mid-term evaluation will draw on the evidence submitted by grantees as part of their own performance reporting.	Report	May 2013	Evaluation Manager will submit reports to DFID
Final evaluation reports	The final evaluation report will provide conclusive evidence around the effectiveness of the funding models and the assumptions underlying the theories of change, drawing on evidence from grantees, independent evaluations and The Evaluation Manager's own research and assessment	Report	April 2014 ³⁰	Evaluation Manager will submit reports to DFID

³⁰ The dates for a final evaluation of the GPAF are currently being finalised.

5 TIMEFRAMES

Timeframes for PPA Holders	
End of May 2012	PPA Partners submit first Annual Review report
End of June 2012	Annual Review reports assessed by DFID and feedback provided to PPA holders
Mid Oct 2012	Independent Progress Reviews (commissioned by PPA holders) submitted to DFID CSD
Mid November 2012	The Evaluation Manager report to DFID on Independent Progress Reviews. All PPA holders 'scored' by traffic light system Mid-term evaluation of PPA funding mechanism
End of Nov 2012	Evaluation Manager submits mid-term evaluation findings to DFID
Early 2013	PPA holders informed of funding levels for final year of PPA
April 2013	PPA Partners submitted second Annual Review report
End of Aug 2013	Annual Review reports assessed by DFID and feedback provided to PPA holders
April 2014	PPA Partners submit third Annual Review report
36 months after funding agreement	Independent Progress Reviews (commissioned by PPA holders) submitted to DFID CSD
November 2014	Final evaluation of PPA funding mechanism
Timeframes for GPAF Holders	
NB: The Evaluation Manager contract will expire in January 2015, before the completion of many GPAF grants. This means that the evidence base for the mid-term and final evaluation will be limited to some degree. This will not, however, influence the reporting timelines for grantees.	
End of April 2012	First Annual Review stage for Innovation Grants . GPAF grantees submit a "light-touch" Annual Review report only in view of the relatively short amount of time that projects will have had to deliver results
End of May 2012	First Annual Review stage for Impact Grants . GPAF grantees submit a "light-touch" Annual Review report only in view of the relatively short amount of time that projects will have had to deliver results
End of June 2012	Annual Review reports assessed by GPAF Fund Manager (in collaboration with the Evaluation Manager) and feedback provided to GPAF grantees
April 2013	Second Annual Review stage
End of June 2013	Annual Review reports assessed by GPAF Fund Manager (in collaboration with the Evaluation Manager) and feedback provided to GPAF grantees
July 2013	Mid-term evaluation of GPAF funding mechanism
April 2014	Third Annual Review reporting stage
Immediately prior to the end of funding	Independent Progress Reviews (commissioned by GPAF holders) submitted to DFID CSD
November 2014 ³¹	Final evaluation of GPAF funding mechanism

5.1 Roles and responsibilities for evaluation

The roles and responsibilities of the various stakeholders are described in the table below:

Stakeholder	Roles
Evaluation Manager	<ul style="list-style-type: none"> • Ensure the evaluability of both GPAF and PPA grant agreements • Support partners to develop best practice evaluation functions³² • Develop and implement overall evaluation strategies and implementation plans for each fund • NB: The Evaluation Manager is required to maintain a degree of independence from grantees throughout the remaining stages of the evaluation programme. The Evaluation Manager will provide general guidance in the form of best practice notes and guidelines, but will not be able to directly support individual grantees.
Civil Society Organisations	<ul style="list-style-type: none"> • Provide robust evidence addressing the evaluation criteria • Provide verifiable insights into how and the extent to which DFID funding enables them to do things that might not otherwise be able to do • Support independent evaluators and quality assure their independent progress reviews • Actively communicate and share learning with other CSOs to ensure a harmonised approach and strengthen the sector as a whole
Civil Society Department	<ul style="list-style-type: none"> • Manage the annual review process for grantees • Provide The Evaluation Manager with the information necessary to conduct the evaluation – including insights into the strategic rationale behind the funding • Participate in case studies
CHASE Department	<ul style="list-style-type: none"> • Provide The Evaluation Manager with the information necessary to conduct the evaluation – including insights into the strategic rationale behind the funding Participate in case studies
GPAF Board	<ul style="list-style-type: none"> • Provide The Evaluation Manager with the information necessary to conduct the evaluation – including insights into the strategic rationale behind the funding
GPAF Fund Manager	<ul style="list-style-type: none"> • Support the Evaluation Manager in the dissemination of the Evaluation Strategy and work with the Evaluation Manager to ensure that grantees understand the Strategy and how it relates to them • Act as the facilitator through which The Evaluation Manager can support grantees develop and improve their evaluation systems and methodologies • Work closely with The Evaluation Manager to ensure the evaluability of both GPAF and PPA grant agreements • Manage the annual review process for grantees • Provide The Evaluation Manager with detailed information on the grantees and how their performance has been managed • Provide The Evaluation Manager with detailed information on the grantee selection process and insights into how this relates to the overall objective of the GPAF

³² Largely related to GPAF agencies

6 EVALUATION PROCESS

6.1 Consultation strategy

The Evaluation Manager has engaged in an intensive consultation process over the course of developing strategy to ensure that it reflects DFID's priorities and will be practical and effective in its implementation. A wide range of stakeholders will be encouraged to comment on the report, including DFID departments (Civil Society, CHASE etc) and Civil Society Organisations.

The table below sets out the protocol for feedback, indicating appropriate timeframes and areas that might be of specific interest to stakeholders.

Nature of feedback	Audience	Timeframe	Protocol
General feedback on the content of the evaluation strategy	All	Comments are due by 16 November	Comments should be provided in writing to the Civil Society Department (CSD@dfid.gov.uk) and a copy sent to The Evaluation Manager Coffey International Development (catriona_hoffmann@coffey.com)
Validation of grantee overview (annex 1)	Civil Society Organisations and Civil Society Department		
Indicator mapping in the meta-logframe (annex 10)	Civil Society Organisations		

The Evaluation Manager will facilitate workshops in London for grantees and other interested stakeholders during the week beginning 21 November in order to address any issues fed back through the consultation process and ensure that all parties understand and are engaged with the Evaluation Strategy.

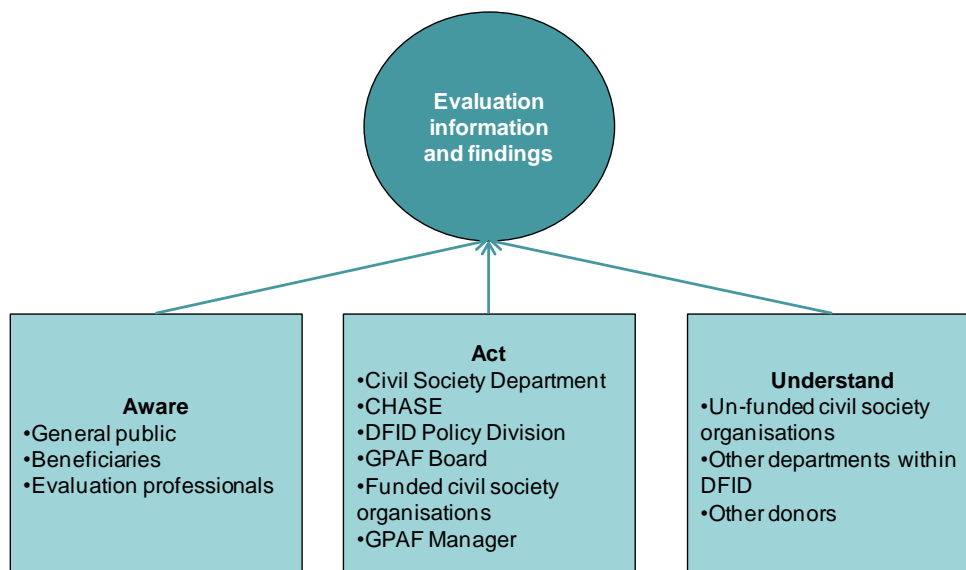
6.2 Dissemination strategy

The purpose of the Evaluation is to enable stakeholders to learn, improve and plan for the future. In line with this, the dissemination strategy formalises how and to whom information and results from the PPA and GPAF will be disseminated. Dissemination of the Evaluation and findings will be in compliance with the International Aid Transparency Initiative (IATI)³³.

As described in section 2, there are a number of key stakeholders in the evaluation of the PPA and GPAF. There are also a number of other parties who are not directly involved with the PPA or GPAF, but who are interested in the evaluation and its findings. The stakeholders can be categorised into three groups according to the way in which they will interact with the evaluation and its findings:

- **Act:** Stakeholders who will change their practice as a result of the evaluation process and findings
- **Understand:** Stakeholders who wish to understand the project as it relates to work they are doing without directly affecting it
- **Aware:** Stakeholders who would like to be aware of the evaluation and its findings, but do not require detailed information about the evaluation process.

These stakeholder groups are reflected in the diagram below:



In considering the dissemination of the Evaluation and findings, it is important to take into account all of the groups listed above. DFID and grantees will be largely responsible for publishing information related to the evaluation for the sake of transparency. In disseminating the evaluation findings, existing networks and communication channels, such as PPA learning groups or NGO membership organisations should be used as much as possible. This will help to ensure that all stakeholders have easy access to the information and can use it to improve the policy and programming.

³³ For further details see <http://www.aidtransparency.net/>

The key deliverables (see section 4), their audience and the mode of delivery is detailed below.

Deliverable	Audience	Timeframe	Dissemination process
Database	DFID	Ongoing	DFID staff will have access to the database
Thematic papers	All stakeholders	Years 3 and 4	DFID will publish the Value for Money Report
Lessons learned workshops and workshop reports	DFID, funded grantees	2 workshops in total, 1 in year 2 and the other in year 4	DFID will determine who attends the workshops. Workshop reports will be produced by the Evaluation Manager and disseminated by DFID
Value for money report	All stakeholders	Annually	DFID will publish the Value for Money Report
6 monthly reports	DFID	6 monthly	DFID will publish the 6 monthly reports
Mid-term evaluation report	All stakeholders	November 2012	DFID will publish the mid-term evaluation reports
Final evaluation reports	All stakeholders	January 2014	DFID will publish the final evaluation report

It will be the responsibility of grantees to publish their annual performance reviews in line with the IATI guidelines. Detailed guidance on the dissemination of grantees' Independent Progress Reviews is provided in Annex 7. Essentially, grantees are required to publish their IPRs, but **only once the Evaluation Manager has conducted a quality assurance assessment of the IPRs and provided comments on the independent report**. Comments will be provided in an Evaluation Manager Report that should be published with each of IPR.

6.3 Identifying and mitigating evaluation risks

The Evaluation Manager, DFID and the GPAF Fund Manager recognise that the breadth of the evaluation combined with the diversity of grantees and the expected level of evidence raises a number of practical challenges. Please refer to Annex 13 to view the Evaluation Manager's risk assessment matrix which identifies a number of these potential challenges that PPA and GPAF grantees may face over the course of the evaluation process and how the Evaluation Strategy /Evaluation Manager Team will try to control and mitigate them. This annex is not exhaustive, but it does provide stakeholders with helpful points to quickly identify and plan for possible risks.

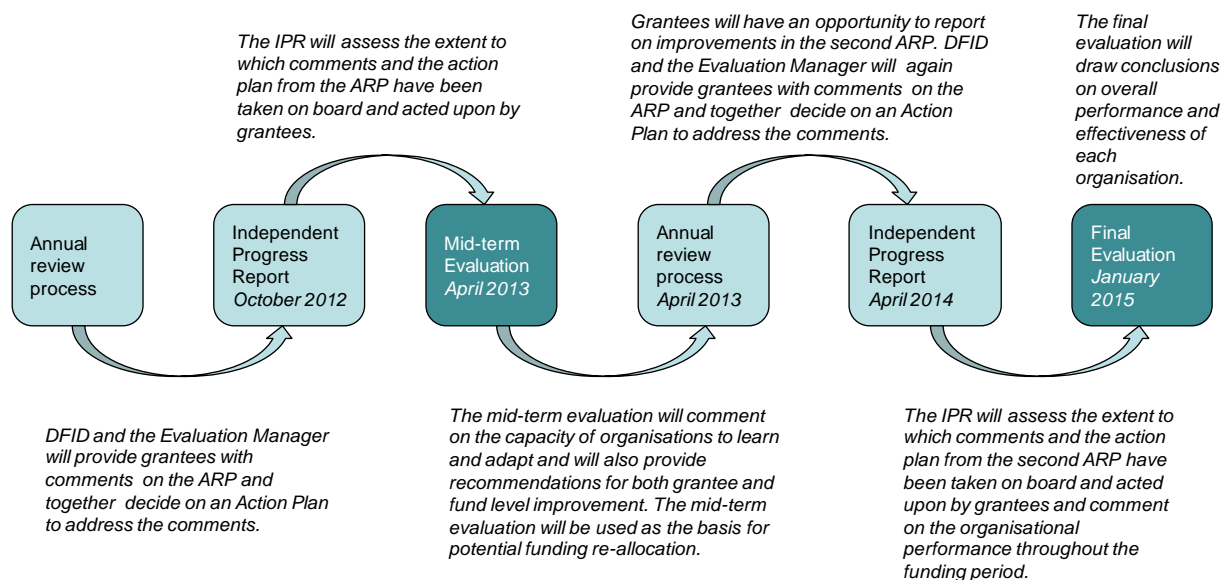
7 UTILITY

The performance assessment of individual grantees and of the PPA and GPAF funding mechanisms as a whole should be used to drive programming improvements at both levels. Findings and recommendations on the funding mechanisms will be made during the mid-term evaluation and it is intended that these help inform ongoing fund management. Both grantees and fund managers should be able to demonstrate that they have acted upon the evaluation recommendations and addressed the issues identified through the assessment process. After each reporting period, grantees should work closely with their fund manager³⁴ to develop action plans which set out how they plan to address the findings of the evaluation.

Subsequent reviews and final evaluations will include an assessment of the extent to which these action plans have been implemented. The final evaluation will provide comments on the development and evolution of the funding mechanisms throughout the evaluation period.

The use of evidence for PPA agencies is depicted in figure 4 below.

Figure 4: Example of the review-action planning process throughout the life of the PPA grant



For GPAF grantees, the annual review process will be the main formative assessment mechanism as organisations will only conduct an Independent Progress Report at the end of the funding period. The Evaluation Manager's mid-term evaluation in June 2013 will occur at a different stage of project implementation for grantees depending on when they received their funding and where they are in the implementation cycle. Based on the comments provided by the GPAF Manager,³⁵ grantees will work with the GPAF Manager to develop an action plan to address key lessons learnt to improve performance. Subsequent ARPs will assess the extent to which the action plans have been implemented and provide further recommendations. The mid-term evaluation will also comment on the extent to which grantees are taking steps to continuously improve their performance as a result of the review /evaluation process.

³⁴ For the General PPA, each organisation will work closely with a relationship manager, and for the CHASE PPA, a policy advisor. For GPAF, grantees will work with the GPAF manager.

³⁵ Comments will also come indirectly from the Evaluation Manager