



Department
for International
Development



Guidelines For NGOs applying for CHASE Humanitarian Response Funding

Updated June 2019



Contents

Introduction	3
Applying for funding	4
Rapid Response Facility	8
Proposals	10
Funding	13
Community Engagement and Accountability	14
Support to Local and National Capacity	16
Monitoring, reporting and evaluation	17
Proposal Assessment Criteria	18
Annexes	
Budget Guidance	23

Introduction

DFID's 'Humanitarian Response Funding Guidelines for NGOs' apply to bilateral funding to NGOs for humanitarian emergency responses. They replace any previous editions of DFID's Humanitarian Response Funding Guidelines for NGOs; and apply to new grants as well as modifications of existing grants. Organisations applying for humanitarian response funding should comply with this guidance and meet internationally accepted humanitarian standards and good practice.

These Guidelines:

- provide information relevant to the proposal submission and accountable grant process;
- outline the vital components of a proposal to DFID; and
- include the narrative and financial forms to be submitted by organisations applying for grant funding (see Annexes A-C).

The aim of these Guidelines is to enable DFID to make efficient and effective funding decisions and ensure projects meet the highest possible standards for efficient, effective and accountable use of UK government funding.

DFID is committed to ensuring the needs of all people affected by humanitarian emergencies are responded to fairly and effectively. This includes responding to the diverse and essential needs of girls and women, and boys and men, and vulnerable and marginalised groups.

Contacting DFID

The Conflict, Humanitarian and Security Department (CHASE) monitor humanitarian emergencies and have the capacity to launch a response at any time. Emergency contact details for CHASE are:

- **+44 (0)7776 180 012** (duty officer)

Applying for funding

DFID's response options

Following a rapid onset or sudden spike in a chronic emergency, DFID has three main methods of responding to humanitarian emergencies:

	Who is eligible?	When is it available?	What it provides?	How long?
Direct UK deployment	DFID staff DFID's stockpile UK Search and Rescue Teams UK Medical and Health Teams	First week	Needs assessment In-kind donations Search and rescue capability Clinical and Health capability Logistics support	Typically up to three months
RRF	pre-qualified NGOs	First three days	Immediate life-saving response	12 weeks
Bilateral funding	Multilateral/ regional organisations NGOs Private sector	As part of a UN appeal Following a call for proposals Through existing programmes	Response funding, leading to early recovery	Typically up to 12 months

Eligibility

To be eligible for humanitarian response funding, proposals must address relief, resilience and/or early recovery efforts for: disasters (drought, floods, earthquakes, volcanic eruptions etc.); human-generated disasters (conflict, social, political etc.); or health emergencies.

Proposals must also be consistent with relevant legal requirements and policy commitments of the UK Government, and international humanitarian standards that ensure the quality of humanitarian assistance.

- **Saving lives, building resilience, reforming the system**: the UK Government's Humanitarian Reform Policy (2017)
- International principles of humanitarian action: humanity; impartiality; neutrality; and independence, as laid out in **the Code of Conduct of the International Red Cross and Red Crescent**

- International laws (including International Humanitarian Law, International Human Rights Law, and International Refugee Law)
- [European Consensus on Humanitarian Aid](#)
- [UN General Assembly Resolution 46/182](#)
- Information relating to DFID funding should be published on the [International Aid Transparency Initiative](#) or an equivalent system
- Funded organisations must ensure their portfolio is consistent with all relevant UK legislation, in particular the requirements of the International Development Act 2002 (as amended by the International Development (Gender Equality) Act 2014), the International Development (Reporting and Transparency) Act 2006, the Equality Act 2010, the Bribery act and the Terrorism Act 2000 (TACT).
- Funded organisations must ensure that their proposed activities support the commitments made by the humanitarian community at the World Humanitarian Summit in Istanbul (May 2016), including the [Grand Bargain](#).

Organisations seeking funding should ensure proposals are guided by, and support DFID in meeting the above principles and international commitments, and should also take note of the following:

- [Statement of Commitment on Eliminating Sexual Exploitation and Abuse by UN and Non-UN Personnel](#)
- [Global Standard Operating Procedures for inter-agency community-based complaint mechanisms](#)
- [Core Humanitarian Standard \(CHS\)](#) partners will be required to demonstrate that they have been mindful of the CHS in the design of projects. DFID's performance effectiveness tracker (PET) tool is designed to monitor the application of the CHS in project design.
- [Sphere](#) standards
- [Guiding Principles for Public-Private Collaboration for Humanitarian Action](#)
- [Oslo Guidelines](#) and [Military and Civil Defence Assets](#) on the use of Foreign Military and Civil Defence Assets in Disaster Relief
- [IASC Guidelines for Gender-based Violence Interventions in Humanitarian Settings](#)
- [Humanitarian Indicators registry](#)
- [Minimum Initial Service Package \(MISP\) for Reproductive Health](#)
- [ADCAP Minimum Standards for Age and Disability Inclusion](#)
- [Minimum Standards for Child Protection in Humanitarian Action \(CPMS\)](#)
- [IASC Humanitarian Action and Older Persons](#)

Organisations are not eligible for DFID funding if they or any current or proposed partner has:

- been the subject of any proceedings or other arrangements relating to bankruptcy, insolvency or financial standing;
- been convicted of any offence concerning professional misconduct;
- not fulfilled any obligations relating to the payment of social security contributions; or
- been convicted of or is the subject of any proceedings relating to: participation in criminal organisation; corruption including the offence of bribery; fraud including theft; and not fulfilling any obligation relating to payment of taxes; or money laundering.

DFID encourages applications from NGO consortia or partnerships who can demonstrate the added value of collaborative approaches to humanitarian responses. Applications from NGO consortia should consider how their submission improves value for money.

DFID's decision-making process

A range of factors are considered to inform decisions on humanitarian engagement, including:

- estimated humanitarian impact of the events
- capacity of the affected country to respond to a crisis
- reaction of other donors
- UK perspectives and considerations
- delivery partners capacity and capability to respond

DFID is a decentralised organisation with most of the decision making taken at the level of the country office. CHASE's Humanitarian Response Group (HRG) will intervene in crisis response where there is no DFID country office, or if a DFID country office requests additional assistance. Each humanitarian response is therefore structured slightly differently in terms of decision making and resource allocation. CHASE very rarely takes a lead on a response. In the context where a country office chooses to lead on a response, NGO partners may direct questions regarding the response to HRG who are willing to play a liaison role between partners and the DFID country offices.

DFID's funding decisions are informed by its humanitarian response strategy. This strategy is considered a living document, but should be developed, and shared with partners within the first week of a rapid onset response. CHASE's humanitarian [intervention criteria](#) guide decisions for HRG to respond. DFID strategy outlines DFID's priority areas and sectors, and organisations are strongly advised to ensure their proposal fits into this strategy. This strategy is usually made available to partners alongside any call for proposals. DFID will continue to assess and analyse humanitarian need throughout a response and the strategy will be updated accordingly. Where relevant, DFID's response strategy is informed by the UN Humanitarian Response Plan, Red Cross Movement Appeals and NGO needs assessments. Details

of DFID's strategy or response priorities will be included in any call for proposals. Working with ACAPs and INFORM, DFID is currently supporting the development of the Global Crisis Severity Index which will help to cross reference real time data on needs with UN or Red Cross needs assessments.

The amount of funds available will depend on the scale of humanitarian need, and nature and context of the disaster. Funding decisions will be made according to the proposal assessment criteria shown below. It is advisable for NGOs to discuss their plans with DFID before submitting any proposals. HRG should be the first line of contact for partners developing proposals; HRG being the best placed to triage information and ensure that partners have the most useful technical discussions on proposal development.

Rapid Response Facility

The RRF enables DFID to commit to rapid humanitarian funding for pre-qualified NGOs. This is done within the first 72 hours following a rapid onset, spike in a chronic humanitarian emergency, or other disasters as deemed necessary.

It enables DFID to work with NGOs that: have a proven record of response; provide high quality results; and deliver value for money for DFID and for the people affected by disasters. RRF funding is **only available to organisations that have successfully passed pre-qualification**. DFID will continue to review RRF membership, opening it up to new members when it judges there is a gap in capabilities.

Activation process

Once DFID has identified the need for response funding, including through discussions with pre-qualified RRF NGOs, the Secretary of State will decide whether to activate the RRF, and for which sectors. Within two hours of activation DFID will invite proposals from RRF NGOs by email. The decision to activate will be based on DFID's [intervention criteria](#). In most circumstances, proposals with the following elements will be prioritised:

- early commencement;
- priority geographic location;
- delivery through an established partnership with a national/local actor;
- complementary nature to wider international response;
- results to be delivered;
- previous performance in humanitarian response as measured by the Performance Effectiveness Tracker (PET);
- a partner's capacity and capability; and
- value for money.

The table below outlines the key points, timescales and actions in RRF activation. This is meant as a guide only and may vary dependent on the nature of the emergency.

Activity	Timescale	Actions
Activation	Following emergency	Secretary of State authorises RRF, funding ceiling and priority response sectors.
Call for Proposals	Within two hours	DFID contacts RRF NGOs, seeking proposals.
Proposals submitted	Within 36 hours	RRF NGOs submit proposals to DFID.
Proposals assessed	Within 72 hours after activation	DFID assesses RRF proposals and makes funding decisions.
Proposals selected		DFID informs all RRF NGOs of decision regarding proposal. Funds disbursed.

Accountable Grants signed	Within seven days	Accountable Grants signed between RRF NGO and DFID.
---------------------------	-------------------	---

Proposals

Organisations applying for funding need to use **Annex A** when submitting proposals. Organisations are advised to consider the proposal assessment criteria, but should be proportionate as not all criteria will be relevant in every situation. This information is indicative, not prescriptive however, if information is not provided that is considered to be necessary, DFID will revert to the organisation. Proposals should highlight support from other donors (actual or expected) for the project, where appropriate. Each proposal should contain:

- **Proposal** – using **Annex A** 10 pages maximum
- **Budget** – budgets must be submitted using the [template](#): guidance is in **Annex C**

Once a proposal is received, DFID will assess and contact the organisation for further information, which may take several iterations. This is normal. DFID can provide feedback on proposals that it chooses not to support, once the immediate response has subsided. Once a proposal has been agreed and funding confirmed, DFID will request a [log frame](#) from organisations.

Organisations should demonstrate that quality issues have been considered in the proposal, with appropriate standards set and robust management, accountability, monitoring, evaluation and learning mechanisms in place.

Staff security considerations and funding requirements should be included in the proposal and budget, both for the organisation applying for funding and for implementing partners. Partners should also reflect that adequate resources are budgeted for safeguarding measures. Organisations are responsible for the safety and security of their personnel. DFID accepts no liability for any loss that may arise from any act or omission in organisational security arrangements.

Non-project attributable costs

Organisations seeking funding should identify and justify levels of non-project attributable costs (NPACs) in budgets and financial reporting. DFID will question, seek justification for, and renegotiate NPAC levels as necessary. While agreed NPAC rates will apply for all RRF funding, the final decision on the rate applied for all non-RRF funding will remain with the relevant DFID department or country office. Any changes to NPAC rates are not retroactive.

To be eligible, NPACs must be necessary to achieve project objectives, and the budget narrative must list everything that is covered by the NPAC line. For further detail on eligible and ineligible costs, please refer to DFID's [Cost Eligibility Guidance](#)

Public communication and branding

DFID has an obligation to explain how it's making a difference to the lives of people affected by disasters. DFID relies on funded organisations to do this. Proactive communication activities should be undertaken unless a specific exemption has been agreed by both parties.

By receiving DFID funds, organisations are committing to collaborate with DFID on communications and awareness raising activities, in both the UK and overseas, to highlight the results that are being delivered to improve people's lives. Below sets out a minimum standard, but activities should not be limited to these.

- Acknowledgement of DFID's support must be highlighted in contact with media and through online channels. Online content should link to DFID/funded organisations' reciprocal channels.
- Organisations should support DFID in delivering its own media and communications work, including contributions from the field (text, photographs, video and audio).
- Organisations need to acknowledge support through use of the UK aid logo (exceptions are made in settings where security conditions may constrain the use of the UK aid logo).
- Content should be agreed by both parties in advance of publication, focussing on results and impact achieved.

Organisations should take note of, and follow the guidance on using the UK aid logo: www.gov.uk/government/publications/uk-aid-standards-for-using-the-logo

Value for money

DFID interprets value for money as: maximising the impact of each pound spent to improve people's lives. Value for money does not mean we only do the cheapest things: it is about obtaining the optimum combination of economy, efficiency and effectiveness.

The approach to value for money in humanitarian situations can differ from those used in development work. For example, in a rapid onset emergency speed, quality and cost can be the most important considerations, in that order.

Ensuring value for money means providing a more effective humanitarian response, allowing more people to be reached, faster and in the most appropriate and efficient way. Ensuring a robust approach to value for money supports more effective and informed decision-making on humanitarian funding. It is recommended that partners demonstrate VfM in rapid onset emergencies using the timeliness, quality, cost approach to demonstrate effective programming.

Humanitarian emergencies do not lend themselves to robust value for money analysis at the proposal assessment stage, therefore this should be undertaken **during** and **after** the implementation phase. It is important for organisations to:

- ensure proposals, budgets and financial reports are provided in the correct format;
- ensure proposals demonstrate a robust, well planned and sufficiently resourced monitoring and reporting plan;
- identify and capture appropriate and proportional value for money metrics and ensure these are effectively gathered, shared and analysed; and
- ensure value for money is assessed and findings shared publicly in the post implementation phase.

Funding

The RRF is exempt from DFID's standard requirement that an Accountable Grant must be signed by DFID and the funded organisation prior to any funds being disbursed and/or supplies/equipment being donated. The Accountable Grant sets out all DFID's terms of the funding and expectations of both parties.

DFID will ask for light country specific information which is contained within the proposal questionnaire to satisfy essential due diligence of the RRF partner. DFID may also request further information to meet broader due diligence requirements after the first tranche of funding has been provided, during a response.

Request for funds

RRF funds are usually paid in advance. As UK Government policy is not to fund in advance, if an organisation requires advance funding, this must be agreed with DFID and requested in the Proposal with a supporting argument explaining why this is necessary.

Before an agreement is finalised, DFID will send two copies of an Accountable Grant to the funded organisation by email. These should be signed by the organisation's headquarters, unless agreed otherwise, and returned to DFID. DFID will then sign the Accountable Grant and return a signed copy. The organisation applying to DFID is accountable for the effective use of funds, including use by implementing partners. Funding will not be disbursed until a request is sent to DFID, using the 'request for funds' form in the Accountable Grant. This must be completed for each tranche of funding.

Requesting changes

DFID recognises the importance of remaining flexible and pragmatic throughout implementation and will consider changes, once alerted to the need for them, to ensure the most effective use of funds/donations. DFID must approve changes to the overall impact and outcome and any significant changes in outputs. Requesting a significant change may necessitate a re-examination of project purpose or implementation.

Extension to the project timescale must be agreed with DFID in advance (usually four weeks before the end of the project) justifying why the extension is required and providing a new completion date. Additional information such as: a progress report; updated budget; additional expected outputs/outcomes to be delivered; and progress to date against the logframe may also be required.

Unspent funds and fraud

If you receive advance funding and have unspent DFID funds at the end of the project organisations must notify DFID and arrange for their return.

DFID has a zero-tolerance approach towards sexual exploitation of vulnerable people, fraud, corruption, bribery, terrorist financing and other misuse of funds including any associated inappropriate behaviour.

Any suspicion of or actual sexual exploitation, fraud, corruption, bribery, terrorist financing or other actual or potential misuse of funds must be immediately reported to the DFID expert fraud investigation unit, at reportingconcerns@dfid.gov.uk or +44 (0)1355 84 3747. All information will be treated with the upmost confidentiality and appropriate guidance provided.

Community Engagement and Accountability

Accountability contributes to better quality responses. DFID believes that by listening to people, understanding their concerns and acting on what they say, humanitarian agencies can drive up the quality of humanitarian assistance. At the World Humanitarian Summit in May 2016 the UK committed to 'ensure that by the end of 2017, all humanitarian response plans – and strategic monitoring of them - demonstrate analysis and consideration of inputs from affected communities'.

DFID supports the Grand Bargain commitments on 'a participation revolution' including:

- Improve leadership and governance mechanisms at the level of the humanitarian country team and cluster/sector mechanisms to ensure engagement with communities affected by crises.
- Develop common standards and a coordinated approach for community engagement and participation, supported by a common platform for sharing and analysing data to strengthen decision-making, transparency, accountability and limit duplication.
- Strengthen local dialogue and harness technologies to support more agile, transparent but appropriately secure feedback.
- Build systematic links between feedback and corrective action to adjust programming.
- Fund flexibly to facilitate programme adaptation in response to community feedback.

DFID urges partners to adopt the [Core Humanitarian Standard](#) as a common basis for operational good practice in principled humanitarian action.

What is required of partners and how to best demonstrate it?

Partners need to demonstrate that they systematically seek and incorporate the views of affected populations and communities to improve programming quality. Activities must be proportional and reflect what is feasible for different response contexts.

DFID monitoring systems reflect the collection of qualitative performance data in line with the Core Humanitarian Standard (CHS), including accountability to affected populations. Minimum expectations are outlined below. These are not exhaustive.

Providing information: Partner organisations should be able to demonstrate how they make information available to affected populations in an accessible and culturally appropriate manner, and that this that explains:

- who they are and how to make contact;
- who they work with, including where they are based in-country;
- what they do and how they do it, including selection criteria and realistic timelines for activities such as registration and distribution;
- necessary lifesaving information, in coordination with others involved in the response;
- How people can lodge a confidential complaint about the project, organisation, conduct of staff or affiliates, and how any such reports will be handled and resolved.

Being informed **by the views of affected communities**. Partner organisations should be able to demonstrate that they:

- have established clear guidelines and practices to identify affected populations' needs in a participative manner, ensuring as far as possible equality of gender representation, that the most marginalised and affected are represented and are listened to;
- where access and security allows, can demonstrate that representatives of the affected population are able to participate in decision making: for example on timing, targeting and selection criteria. Selection criteria should ensure the most marginalised and vulnerable can access the assistance;
- seek to include affected populations in the implementation of activities, making use of local skills and resources; and
- share consultation outcomes with the affected population, demonstrating how feedback has affected design and implementation. Although this may not be systematic in the earlier stages, it should be done wherever feasible.

Feedback mechanisms that enable affected communities to assess and **comment on agencies' performance**. In essence this means that:

- partners will ensure appropriate robust mechanisms are in place for obtaining regular, accurate feedback from beneficiaries, including the most vulnerable, concerning their views on the assistance received and the organizations providing it. In addition the partner will demonstrate how such feedback is collected, considered, and acted upon to improve programming relevance, appropriateness, equity, effectiveness and value for money.
- Partners will ensure appropriate robust mechanisms are in place for ensuring that they have implemented a full programme to prevent sexual exploitation of our partner communities. This should include full screening of personnel, a confidential investigation mechanism and whistleblower protection.

Partners are encouraged to clarify with DFID at an early stage of the response how this will be achieved and resourced. Note in particular the requirement to demonstrate how feedback mechanisms will drive improved programming. It is understood that small and short term responses will have differing requirements than longer term programmes.

NGOs should take steps to ensure hard to reach groups such as older men and women and people with disabilities have equal access to feedback and complaints mechanisms. Partners should undertake systematic monitoring of how they have taken disaster affected people's views into account and gather evidence of what difference this has made in terms of outcomes.

The extent to which partners' delivery of humanitarian assistance has conformed to these principles will be assessed, either as part of the DFID monitoring processes, through performance effectiveness assessments, partners' final reports, after action reviews and Project Completion reports (PCRs). NGOs may address the above requirements in various different ways, depending on their operating model.

Support to Local and National Capacity

Grand Bargain Commitment: *'Achieve by 2020 a global, aggregated target of at least 25% of humanitarian funding to local and national responders as directly as possible to improve outcomes for affected people, and reduce transactional costs'*.

DFID supports the commitments of the Grand Bargain with regard to localisation, specifically the UK has pledged to *'Commit to investment in building local and national capacity for crisis prevention and response'*. DFID is also supportive of the ['Charter for Change'](#) initiative, which includes at least 20% of INGO funds are passed on to local/national NGOs. Grantees should work with and partner with local organisations for programme delivery, or for specialist aspects of programming for example, but not limited to needs assessment, community engagement, accountability or monitoring activities where they hold a comparative advantage over other actors. NGOs funded by DFID must demonstrate how they work with local actors to support the UK in meeting its international commitments to meet 25% of local/national actor funding, and to demonstrate this in their project proposals and budgets.

Monitoring, reporting and evaluation

Accurate and timely monitoring, reporting and evaluation is essential to demonstrate DFID funds are used effectively, efficiently and transparently. Monitoring, reporting and evaluation should be proportionate to the size and risk profile of the project, and the methods used tailored to the access, innovation, complexity and accountability of the project. Capacity to effectively monitor activities is part of the due diligence process. Partners should demonstrate to DFID that they have a robust monitoring, reporting and evaluation framework in place to ensure projects remain effective, efficient and financially on track. These plans should be explained in the Proposal and show how these will be resourced and managed. DFID will work with partners to agree results monitoring parameters, metrics, format, reporting timeframe, division of responsibility and expectations of partners.

A baseline is essential to measure progress and the degree to which assistance is reaching the most vulnerable and hardest to reach populations (conducting a baseline data collection is an allowable cost for DFID). Organisations should explain what methodology they will use to establish this and are encouraged to use existing sources of secondary data as well as primary data when available. Indicators of measurement should be clearly stated in the logframe. It is not usually feasible to measure the impact of an intervention in the early stages of a humanitarian response, especially in rapid onset emergencies. Outputs and outcomes should always be measured. DFID expects partners to draw from and use [indicators](#) developed by Global Clusters. If partners do not use these, justification must be provided.

DFID will require both formal and informal reporting. Formal reporting requirements are set out below. Informal reporting is likely to be in the form of brief email updates and should be aligned with organisational reporting arrangements where appropriate to reduce the burden on field teams. Informal reporting, the contents and timing of which should be agreed with DFID following proposal acceptance, should succinctly set out:

- key activities achieved to date;
- any areas of concern or problems faced to date, including delays; and
- any changes to be made to increase effectiveness or efficiency.

DFID will require at least one Interim Report, most likely at the mid-point, and a Final Report at the end of project (using [Annex D](#)). When submitting the Interim Report and Final Report, DFID will require a budget update using the template available online. Long or complex reports are not required, and organisations should aim to produce a five-page document. Summary tables of outputs, total number of people reached, and budget spent against estimates are required.

Monitoring and reporting should include data disaggregated by sex, age, and disability (using the Washington Group Questions – see DFID guidance [here](#)) outlining mitigating actions taken to reduce the vulnerability of identified vulnerable groups.

Monitoring and reporting are critical and assist in identifying lessons for future humanitarian responses so DFID requires honest observations from organisations. This includes where plans are delayed, or where an outcome was not achieved. In such cases, an analysis of the reasons for failure should be provided, accompanied by possible ways to mitigate this in the future.

Evaluations should be independent, methodologically robust and made openly available.

DFID will also commission an independent Real Time Evaluation (RTE) of its humanitarian responses. The aim is to provide real-time learning to inform a current response and for future responses and will present initial findings and recommendations to key response stakeholders both in the field and at headquarters to promote quick changes to the response. DFID funded projects will be included in the RTE as part of the overall response, but the RTE is not intended as a substitute for project evaluations.

DFID Monitoring Mechanisms

The principle tool for DFID monitoring of partners will be the Performance Effectiveness Tracker (PET) made up of 18 core and 10 voluntary indicators. These focus on measuring timeliness, quality and cost of programming, and are designed to reflect the CHS indicators.

Partner performance will be monitored and assessed by DFID staff through field visits. The frequency of these will be determined by the local context. PET criteria will be shared with partners at the outset of a response and findings shared post response.

Proposal assessment criteria

Proposals will be assessed against the following criteria, as appropriate. It is recognised that not all of these will be relevant for all projects.

Needs-based

- What needs assessment(s) is the project based on? Have assessments taken account of all household needs to determine priorities? What is judged to be the strength and relevance of the evidence: strong, medium or low? How did disaster affected people participate, particularly those from vulnerable and/or marginalised groups? Have the needs and challenges to access of women and girls, older women and men, and people with disabilities been measured and considered?
- What is the scale of need identified? What is the projected response in terms of cash or in-kind to meet outlined needs? What is the critical humanitarian baseline information (mortality and morbidity) and from what sources? How has disaggregated data been used to support decision making? How did you conduct data disaggregation e.g using the Washington group questions?
- What is the current, or what has been the organisation's previous engagement in this humanitarian emergency? How have lessons have been learnt from past experience demonstrated?
- Does the proposal have a results chain logic and clear objectives, indicators and milestones? Does the proposal identify key metrics that will be tracked and used to measure value for money performance? Is the outcome realistic?

Technical

- Why will this proposal achieve the desired results? What is the process for change? Have alternative options to achieve the same outcome been considered? Why has this project been accepted over other options?
- Is there a clear strategy and timescale for scale-up, scale-down and exit? What measures are in place to ensure there is no negative impact when the project ends?
- What is the assessment of access, will it allow scale-up to occur? Are operating permissions/licences in place to enable implementation? Are there any political aspects that may make access difficult? If so, how have these been mitigated?
- How is the project appropriate to the situation? Which standards and best practice does it aim to meet? Which ones doesn't it and why? Are protection needs taken into account? Are monitoring systems designed to ensure beneficiary accountability and project adaptation?
- What percentage of the project will be delivered in cash and in-kind? Is this coordinated and are there planned changes between response mechanisms at different stages? Are inter-agency/individual market assessments planned for cash and in-kind?
- Is the project methodology already proven, or is it innovative or experimental? How will success be measured? Is technology being used appropriately?
- What indicators are being used? Are these appropriate? Do they reflect global cluster common indicators (www.humanitarianresponse.info/applications)? If not, why not?
- Does the proposal commit to specific quality thresholds? What are these based on and are they clear? If cash / vouchers, is the cash value appropriate and relevant?

- Does the speed, quality and cost of the proposed intervention indicate it will provide value for money?

Disaster affected populations

- Who are the main people to be supported/reached? How will they benefit? Have particularly hard to reach and/or vulnerable groups been identified? What are the identification mechanisms and criteria for disaster affected population selection? How will the project ensure people are reached according to need?
- How is the proposal culturally sensitive? How will the specific needs of groups, including women/girls, people with disabilities, older women and men, children, adolescents, people living with HIV/AIDs and ethnic/religious minorities be met?
- How have disaster affected people and other local actors been involved in the design and decision making? How is this knowledge being used and are mechanisms in place for ongoing input into decision making? What steps have been taken to ensure hard to reach groups are able to participate in decision making?
- What form of complaints mechanism or feedback system will be established for people being supported/reached with assistance to access? Is it clear how these will be resourced and managed? How will the organisation keep affected communities informed about its activities? How will this be coordinated with the wider humanitarian system?
- Does the project contribute to the protection of civilians? Do outputs help reduce disaster affected people' exposure to threats to their security? Have risks of violence against women (including older women) and girls been identified and addressed?
- How have sexual and reproductive health and rights been considered? Does the project implement the objectives of the Minimum Initial Service Package for Reproductive Health?
- What accountability structures are in place? How will disaster affected people (particularly representatives from the most vulnerable and/or marginalised groups) participate in monitoring and evaluation and contribute to perspectives of timeliness, quality and effectiveness? What steps have been taken to ensure hard to reach groups are able to contribute to monitoring and evaluation?
- What systems or processes are in place to review initial assumptions and adapt methods? Has the organisation put data protection systems and Standard Operating Procedures in place to mitigate risk (including e-payments/use of third parties)?
- What steps have been taken to ensure Prevention of Sexual Exploitation and Abuse?

Coordination

- How is the organisation linked at an operational level to the relevant international/national coordination structures? If there are similar operations underway in the proposed location, how will this proposal complement this work and avoid duplication? Does the project have relevant cluster endorsement? If not, why? What efforts at coordination have been made in transport, procurement and logistics?
- To what extent has the organisation participated in any government, UN or other joint humanitarian planning initiatives? If not, why?
- How will information be shared with the response community and affected populations?

- Are there any issues within the national/local policy framework that may affect implementation and broader recovery, including cash transfers? If so, has consideration been given to sharing specialist expertise with the relevant government/UN teams to facilitate implementation?

Security

- What is the current security situation and risks, both at country and project level? What is the process for assessing risk for this project? What security protocols are in place or planned to protect people and assets? Is there a country security plan and what systems are in place to review and update this according to changes in context or risk?
- What is the strategy for enabling safe access for people receiving assistance? What external factors may impact on implementation or changes in humanitarian access? How will these be mitigated?
- What measures have been included to enable activities to continue if the security situation worsens?
- If implementing through a partner, how have their levels of risk been considered (including risks of association with international organisations)? How will changes to risk be monitored? What security support is being provided to the partner? How will this support strengthen partner security management capability beyond the life of the project?
- What sectoral security coordination mechanisms are engaged with in the location? What specific humanitarian security information sources are being relied upon during this project?

Conflict sensitivity

- How will the analysis of conflict dynamics be used to adapt the delivery of assistance to avoid unintentionally exacerbating the conflict?
- Conflict sensitive approaches should, where possible go beyond avoiding conflict to also look at "enhancing capacities for peace and resilience" How have conflict sensitive approaches been incorporated into the project?
- Are 'do no harm' principles considered? Could provision of assistance to a specific group or location be perceived as having a bias or political benefit to one party in the conflict? Could relationships with local groups or implementing partners be perceived as legitimising one party in the conflict? If so, how will this be mitigated/handled?
- Might provision of assistance make those reaching this support a target for attacks? Are processes in place to ensure resources, both cash and in-kind, reach the intended people without being diverted?
- How will the selection of people relate to what connects and what divides the community? Are the processes to assess needs and select people to assist transparent and well publicised? Will the community be involved in the selection?
- Consider staff recruitment, how can we minimise conflicts through our choice of staff we hire?

Resilience and early recovery

- How are you building disaster risk reduction into your project ?
- To what extent will the outcome and impact prevent or reduce the impact of future disasters, or enable disaster affected populations and the wider community to cope

better? Have the outputs been adapted to protect those being assisted against severe natural hazards in the future?

- How does the project demonstrate post-emergency/transitional activities to support early recovery and an understanding of longer-term livelihood issues, building resilience and reducing community vulnerability?
- How are opportunities to support revival of the local economy or work with the local business community explored? Are any of the structures or services to be established intended to be sustainable or to build local capacities? If so, how? If not, why?

Staffing

- How are staff levels in the organisation and implementing partner(s) sufficient: national/international; skilled/technical; trained financial managers; supervision and support; and monitoring/evaluating?
- What managerial and leadership capacity is/intended to be in place for the duration of the project? What technical capacity (existing and surge) will be used to ensure technical support is sufficient?
- Has gender been considered in staffing? Has disability been considered in staffing?

Partnership Principles

- How far are local partners involved in prioritising needs and in elaborating proposals?
- What sectoral/geographic expertise and experience do they have? What previous collaboration has occurred and what management structures are in place for this project?
- Does the past performance of the partner demonstrate a positive track record in delivering timely, quality projects at reasonable cost?
- What areas have been identified for further support and with what timelines? How will this impact on implementation?
- What is the partners' capacity to absorb this additional funding and/or other funding through partnerships with other organisations? What will be done to mitigate overload?

Supply chain management

- Are there established logistics or cash transfer procedures for the organisation and their implementing partners? What logistics supply chain is identified and what are the risks? Have markets been assessed and have cash or vouchers been considered? How are economies of scale in procurement being used?
- If receiving DFID goods in-kind, what logistics capacity is in place to receive, store and distribute them within a short timeframe?
- What description of value for money, cost effectiveness and ethics has been provided in procurement and contracting?

Monitoring and lesson learning

- Is there a defined monitoring plan outlined? Is the process for measuring and reporting results clear? Is the monitoring process adequately resourced and practical?
- Will monitoring be by direct access or by third party? If the latter, what verification systems are there and organisational capacity to review data?
- Is adequate baseline information available to enable effective monitoring and evaluation? If not, are there plans to obtain an adequate baseline?

- What plans are there for evaluation of impact? If evaluation of impact is not feasible, how will outcomes be evaluated, if at all?
- What arrangements are there to ensure lessons identified are disseminated and implemented around improved practice, innovation and areas for improvement?
- How does the proposal address DFID's Humanitarian Value for Money requirements?
- How will agencies monitor the context?

Environmental

- How have environmental risks been minimised? Are any mitigation actions planned?
How have opportunities for environmental improvement been exploited?

Budget guidance

Before you begin

The budget format uses macros. Depending on your security settings, you may need to permit macros to run when you open the file: if offered the opportunity, select 'enable content'. What needs to be done will depend on your security settings and version of Excel.

Please enter the name of your organisation and project in the space provided at the top of the spreadsheet.

Entering a line

If the line doesn't already exist, insert it using the button at the top of the spreadsheet. Edit the line code (in the first column) to something appropriate. Enter a line description. Move the cursor to the 'Type' column (column J for projections, column AU for actuals), and select the cost type from the drop-down box. Fill in the remaining cells in the line that have turned white – these will depend on the cost type you have chosen.

Enter the line code and description

The first column contains a line code, which is necessary to enable DFID to compare budgets and to enable budget calculations to function properly. Line codes that are included in the template should not be altered¹ but you can create additional line codes². Miscellaneous ('other') categories should end in 9³. Budget lines included in the template maybe deleted if they will not be required at all in the project, but should be left blank at projection stage if there is any chance they will be needed to report actual spend. The next column to fill in is a textual description of the budget line⁴. It may go in column B, C or D depending on whether the line is a title (these have already been entered by DFID and should not be changed), chapter or element. Instructions in square brackets should be replaced with appropriate text or deleted.

Choose the type of cost

At this point the remainder of the line will be shaded: select the cell in the 'Type' column and a button will appear to the right of the cell offering you a drop-down menu.

4	Line Code	Costs	Headlines	Line Total	Type	Unit Cost	Unit	units	repea
33	D.1.4		Storage		<input type="text" value=""/>				
34	D.1.5		Communications						

From this you can classify your budget line as a 'lump sum', a 'unit cost' or a 'regular payment'. Once you have made this selection, the remaining boxes you need to fill in will be given a white background.

4	Line Code	Costs	Headlines	Line Total	Type	Unit Cost	Unit	units	repeated	Output 1	units	repeated	Output 2	Prop
33	D.1.4		Storage		regular payment									
34	D.1.5		Communications		lump sum									
35	D.1.6		Desks		unit cost									
36	D.1.7		Field Office (Enter location)											

The following provides examples of how to fill in the different types. The first line shows that storage costs £1,200 per month, is required for 12 months, and that 50% of this is attributed to

¹ E.g. inputs should always be listed under title A, security staff should always be listed under chapter C. etc.
² E.g. chapter B.3 could be assigned to an appropriate category of transportation.
³ E.g. chapter A.9 for other inputs, element B.2.9 for other staff travel.
⁴ E.g. 'Maize' or 'Project Manager'.

each of outputs 1 and 2. The second line shows that Communications cost £8,500, and that this was entirely attributed to output 1 (so output 2 has been left blank even though this cell is white). The third line shows that two desks were bought for output 1 and four for output 2, at a unit cost of £180 each.

32	D.1.3	Insurance											
33	D.1.4	Storage	14,400	regular payment	1,200	month	50%	12	7,200	50%	12	7,200	4.4%
34	D.1.5	Communications	8,500	lump sum					8,500				2.6%
35	D.1.6	Desks	1,080	unit cost	180	desk		2	360		4	720	0.3%
36	D.7	Field Office (Enter location)											

Regular payments are often useful for listing staff salaries. Where several people have the same position and salary, they can be combined into a single budget line. It is also possible to include just a fraction of a person’s time, using percentages or decimals (see below).

Line Code	Costs	through partner?	Headlines	Line Total	Type	Unit Cost	Name of Unit	No of units	Times repeated	Output 1
E	Staffing and support	No	228,131							
E.2	National Support	No	32,520							
E.2.1	Programme Officer	No		15,360	regular payment	320	month	2	12	7,680
E.2.2	Assistant Programme Officer	No		15,180	regular payment	230	month	3	12	8,280
E.2.3	Driver	No		1,980	regular payment	110	month	0.5	12	660
E.3	International Technical	No	22,680							
E.3.1	Humanitarian Adviser	No		22,680	regular payment	4,200	month	20%	12	10,080

The type of cost must be selected separately for the projection and actuals sections. This makes it possible, if necessary, to enter a lump sum for a budget line at the projection

What should I do with unit costs that aren't uniform?
Example: I budget for ten international flights at £1000 each. In fact, we purchase 12 flights for a range of different prices, with an average of £850. How should I enter this?
Answer: the projection should be entered as a unit cost. The actual spend could be reported simply as a lump sum, but then the only variance that would appear would be on the overall budget line. If you enter the actual spend using the average price you paid for the 12 flights, then variance information will appear both for quantity variance and price variance. Either is acceptable, but the latter is preferable because it provides more useful information. There is no need to list the price paid for each individual flight.

stage, and replace this with a unit cost or repeat payment at the actual stage, when more information is available.

Level of detail

The level of disaggregation that is appropriate will depend on the timeline for budget planning, and to some extent on the overall scale of the project. Where advance budget estimates are created in a rapid onset emergency, the level of disaggregation is likely to be broad. In this case, more detailed budget lines should be left in place, but estimates included only at a higher level of aggregation⁵. These lines can then be populated for the final report, and a meaningful comparison between estimates and actual spend will remain possible, with disaggregation to an appropriate level at each stage.

Adding and removing lines

Budget lines that will not be used can be removed. Where additional budget lines need to be inserted, it is recommended to use the keystroke Ctrl-Shift-i or the button on the top row to create a new row in the current location. If these processes don't work, first check that macros are permitted by your security settings. If it isn't possible to enable these

⁵ E.g. leave international shipping and transport of materials in place, as a blank line, and include a figure only for transport.

macros, then it is possible to insert lines using the usual Excel functions, but then all formulae need to be copied into the new row from an existing row.

Budget projection and actual spend

While actual spend is being entered, some metrics on the way actual spend differs from budget projections will be generated in the rightmost set of columns. Where the two budgets aren't directly comparable, the budget will display 'n/c' (not comparable) – this does not indicate a problem with the budget. This will help identify areas in which the project has not performed as expected, so that these changes can be better understood. Small variations and movements of funds between different budget lines are normal. There is no need to explain or comment on every minor variance in your budget narrative, however, the most significant changes may be worthy of comment, and the variance section may help you to identify which these are.

My organisation begins a response by supplying goods from stockpile, then procures once our stocks are empty. The price we pay is different in each case. How should I reflect this?

The difference in price is useful information and should be reflected in your budget. Separate budget lines for items sourced from stock and procured from suppliers –even if otherwise identical –would achieve this.

Budget lines

- **Inputs:** break down input lines where possible (e.g. listing different types of food purchased in the elements underneath chapter 'A.3 Food' and numbering).
- **Logistics and overheads:** add all logistics, overhead and administrative costs that can be attributed to the project. Add and remove lines as necessary.
- **Staffing:** should be divided according to two separate criteria. The first is whether they are technical⁶ or support⁷. The second is whether they are national (i.e. locally recruited), international (recruited elsewhere but based in the programme country) or off-shore (based outside the programme country, including those who travel to the programme country). Non-salary benefits⁸ should be listed separately (under E.7), and broken down further if useful (especially if they represent a large proportion of staff budget). Each role should be individually listed except for an RRF budget projection.
- **Monitoring and evaluation:** DFID would normally expect between 1-5% of project costs to be devoted to monitoring and evaluation. A higher figure is justified where a project has specific learning or evidence-gathering objectives as long as the process provides good value for money.
- **Capital items:** list items individually where possible under distinct lines in section G.

Direct and indirect costs

DFID's main concern in preparing budgets is to communicate accurate and complete information about project costs. It's preferable to list as many costs as can be attributed to the project as possible within the budget, whether you or any other organisation regard them to be direct or indirect costs. This provides useful information about how taxpayers' money is spent. Some costs however, particularly those associated with global HQ operations cannot be meaningfully attributed to any particular project. These are referred

⁶ E.g. doctor, nurse, WASH expert, public health expert.

⁷ E.g. programme manager, security guard, driver, regional manager.

⁸ E.g. housing, medical insurance, etc.

to as non-project-attributable costs (NPACs). To be eligible, NPACs must be necessary to achieve project objectives, and the budget narrative must list everything that is covered by the NPAC line. Examples of acceptable/unacceptable items are listed in the table below, although costs that are eligible will depend on project objectives/activities. DFID is committed to enabling partners to recover the full cost of delivering programmes, and proposals should be developed in accordance with this. A separate budget line is provided for NPACs: a percentage figure can be entered into the blank white cell (column F).

Generally unacceptable	Context specific	Generally acceptable
Fundraising; advocacy (if specific DFID objective then should be project-attributable); marketing and communications; policy (if specific DFID objective then should be project-attributable); 'other'/miscellaneous category.	Standing/surge capacity (including training, retainer fees etc.)	IT infrastructure and personnel; finance and accounting; technical specialist support (although attribution to projects is encouraged where sensible); legal support; HR; HQ facilities; regional office facilities.

Outputs, indicators and multiple donors

The blank template has space for four logframe outputs. If your project has more than four logframe outputs, you can unhide additional outputs (up to ten). Below the financial budget there are three further bands:

- The first band allows you to state the level of DFID funding, so that DFID’s share of any outputs that have been achieved is clear. Select ‘Yes’ if the project is fully funded by DFID (in which case no further information is necessary). Select ‘No’ if DFID’s funding is complemented by that from your own reserves or other donors. In this case, you will need to enter the amount of DFID funding in the white cell.
- The second band contains details on logframe outputs. Each output should be entered into this row as it appears in the logframe. For an RRF projection, there is no need to submit a full logframe, but draft logframe outputs should still be included in this budget template. These can be altered as better needs assessments become available. Direct disaster affected population reach should also be entered in this band (either as individuals or as households; if entered as households the approximate number of individuals should appear in brackets).
- The final band provides space to enter an output indicator⁹ for each output (referred to as a ‘result’ by DFID). Output indicators should aim to be comparable with other similar projects. In future, improved standardisation of indicators will facilitate more meaningful dialogue about value for money, although this may take some time to achieve. DFID encourages implementing partners to discuss indicators both with DFID and at cluster level and supports standardisation among cluster members. OCHA has created a repository of indicators used in the international system: [Indicator register](#).

Budget narrative

The primary purpose of the budget narrative is to save time by pre-empting questions that DFID is likely to have about the contents of the budget. For this reason, it is useful to include information about significant cost drivers to explain in what way costs differ from those of similar projects. For instance, in a remote, insecure environment, a brief discussion about these features of the context and the consequences for transport and

⁹ Examples of appropriate output indicators include ‘number of latrines constructed’, ‘number of people fed for a month’ and ‘number of shelters repaired’.

security cost drivers would assist DFID in understanding elements of the proposal that might otherwise cause concern. All assumptions should be stated clearly, either in the narrative or in the 'assumptions' worksheet of the budget. Any other donor contribution or co-financing arrangement must be detailed. Where activities are outsourced to an implementing partner, a clear distinction should be made between payments to that partner and intermediary transaction costs.

The Department for International Development: leading the UK Government's fight against world poverty.

Department for International Development
22 Whitehall, London, SW1A 2EG

and:

Abercrombie House Eaglesham Road East Kilbride Glasgow G75 8EA UK

Tel: +44 (0)20 7023 0000

Website: www.dfid.gov.uk

Email: enquiry@dfid.gov.uk

Facebook: www.facebook.com/ukdfid

Follow us on Twitter

Public enquiry point: 0300 200 3343 or +44 1355 84 3132 (if you are calling from abroad)

© Crown copyright 2018. Copyright in the typographical arrangement and design rests with the Crown. This publication (excluding the logo) may be reproduced free of charge in any format or medium, provided that it is reproduced accurately and not used in a misleading context. The material must be acknowledged as Crown copyright with the title and source of the publication specified.

Published by the Department for International Development, February 2015

Front cover photos courtesy of: DFID, Care International UK, International Health Partners and Medical Aid for Palestinians.