

AGENDA 13.1

Australian Lutheran World Service

MEMBERS

Morgan Brooks, Peter Hage (Chairman), Judith Murray, Peter Renner, Ian Rentsch

BACKGROUND

Australian Lutheran World Service (ALWS) is the overseas aid & resettlement agency of the Lutheran Church of Australia (LCA). It is mandated by the church to support humanitarian relief and development work to those who suffer from poverty and injustice overseas. It is also tasked with the responsibility of communicating this need within the Australian Lutheran community.

ACHIEVEMENT AGAINST PLAN

Goal 1: ALWS will **help** through partners to ensure people live in more just and sustainable communities through long-term development programs, and that people affected by emergencies receive life-sustaining care.

Planned Outcomes:

- Ensure partners receive financial and technical support to enable them to work towards this goal.
- Appraise and monitor programs throughout their implementation, as a basis to support partners to progressively fulfil policies and high standards
- Support partners to continually improve effectiveness through evaluations and other learning opportunities.

Achievement of Outcomes:

All funding commitments to partners were met or exceeded. A new Appraisal Suite has been drafted which consists of revised previous appraisal documents plus new decision-making processes for considering support to new and existing projects, exiting projects, and increasing ALWS' understanding of partners' areas of strengths and gaps in capacity, including in areas of DFAT and ACFID priority. ANCP plans for 2015-16, 2016-17 and 2017-18 were successfully submitted and approved after close review to ensure high quality of partners' work, especially in DFAT's priority areas. Contingencies have been met to ensure ALWS has reserves should income drop, and partners suitably positioned to be prepared for these trends in the sector. An evaluation of the Church Partnership Program in PNG found that it is applying effective capacity-building strategies which are enabling the church to improve services delivered to communities.

Goal 2: ALWS will **inspire** and enable the Lutheran family to reach out in love for justice.

Planned Outcomes:

- Inform and motivate the Lutheran family in Australia to take action and advocate on poverty and justice issues.
- Offer the Lutheran family the opportunity to use their God-given resources, blessings and talents to help.
- Support the Lutheran family to feel and be more closely connected with the people they support through ALWS.
- Equip the Lutheran family with facts, thinking and theology that enable them to explain why Christians fight for justice and serve the poor.

Achievement of Outcomes:

Reaction from both staff and students show there has been very powerful impact in Lutheran schools right across Australia with the 'Welcoming the Stranger' message. ALWS has expanded Awareness Day program to largest ever, to reach 59 schools and almost 7000

students. The 2016 curriculum theme was 'climate change, which has become a high-profile topic in Australian media and public discussion with Renewable Energy Target. This linked well with the theme of ACLE 5 in July 2017 that was based on caring for the environment and was powerfully reinforced to more than 850 teachers. Introduced 'Walk My Way' Pilgrimage event in July 17 to raise awareness of refugee issues, plus support refugee children to go to pre-school. A good start has been made on Teacher Network with more than 450 names - which is a critical initiative to nurture people in position of influence to multiply their impact in spreading message of how people can impact others through ALWS. In 2017 a Focus Tour was initiated in Queensland to address issues related to understanding of ALWS, and ALWS under-penetration in Queensland congregations. Brian Neldner's memoirs are being captured through regular meetings with a note taker to document ALWS' history.

Goal 3: ALWS will strive to **improve** to enable it to best serve people, communities and supporters.

Planned Outcomes:

- Create the space for innovation and trialling and supporting new approaches.
- Review and implement systems of assessing and reporting on the effectiveness of programs, fundraising and communications, finance, and administration.
- Support and encourage continual learning and reflection, within ALWS and with its partners, through varied methods, including evaluations and research.

Achievement of Outcomes:

The addition of a fourth Program Officer for Quality and Effectiveness to the ALWS Programs Team and the engagement of a Program Quality and Effectiveness consultant has created time and space for considering new program approaches while the addition of a new 0.4EFT in Fundraising in 2017 increased opportunities for exploring new fundraising ideas. Two opportunities in March and August 2016 were made available to all staff to focus on Innovation, some of the ideas generated through these processes such as Walk My Way have been successfully adopted. The upgrade to Office 365 (cloud-based applications) in April 2015 meant that all ALWS staff are now using the same Microsoft Office version which has enabled a greater access to documents and sharing of information. In 2017, we engaged an independent consultant, to review our IT systems. A move was made to Infodile as our Customer Relationship Management (CRM) and Xero as our accounting Package following the recommendations. Telecommunications are almost complete for monthly skype catch ups with all staff. LWF Nepal, LWD Cambodia and CDRM&CDS Indonesia partners have been linked with opportunities for Direct Aid (innovation) funding from DFAT post. The board approved an annual standing allocation of Unrestricted Reserves to 'Innovation'.

Goal 4: ALWS will **strengthen** as an organisation to ensure it is transparent and accountable to people, communities, partners and supporters.

Planned Outcomes:

- Ensure it is managed and governed in an informed way which is transparent and consistent with this plan.
- Continue to be compliant with Australian government accreditation requirements and the ACFID Code of Conduct and continue to work with its partners to build their capacity in this area.
- Increase transparency and accountability to people, communities and supporters
- Have documented processes and policies in order to share organisational knowledge, standardise procedures and ensure credible and consistent decision and actions.
- Strengthen its risk management plan to cover all major operational areas of the organisation

Achieved Outcomes:

The board is provided with Quarterly Governance and Management Reports which are designed to be easily understood. This, together with six-monthly Document Reviews, ensure

the board is well informed with enough space during board meetings to discuss matters of strategic importance. The Board Advisory Group has also been established to strengthen ALWS Governance. The Management Team has been a place to work through operational issues and accreditation preparation. It's guided by a Terms of Reference which sets out regular meeting and reporting requirements. Accreditation expectations have been a helpful guide towards full compliance with all stakeholders including DFAT, ATO and ACFID. The intentional development of a 'whole of organisation' strategic plan and shared ownership of the re-accreditation process has ensured all are responsible for the quality of each part of ALWS. Policies have been revised to reflect ALWS practice and capacity. Access to NSW Business Chamber, ACNC and ACFID updates keep ALWS abreast of changes to relevant legislation. The upkeep of ALWS policies and processes is ongoing. Procedures are now in place to inform decision making processes and delegations of authority. ALWS has reviewed and improved the Risk section of the Program Effectiveness Framework (PEF), based on pre-accreditation feedback and revision of ALWS Risk Management Policy. The PEF Risk section now incorporates partners' own risk assessments. Organisational risk has now been consolidated into a single register viewed by the full board quarterly. Cases of concern are also presented to the board, acted upon and, where possible, closed soon afterwards. We have not needed to report a Case of Concern for 12 months.

Goal 5: ALWS will **partner** with others to leverage wider change and increase its impact.

Planned Outcomes:

- Look for opportunities to work with others in order to increase the effectiveness of operations and mutual growth in partnerships.
- Establish and apply criteria to determine the opportunities and boundaries of partnerships with an emphasis on those partnerships which can best enable the organisation to carry out its mission.
- Work with others to investigate ways to advocate on poverty and justice issues.
- Contribute to the positive response to 'new neighbours' and asylum seekers in Australia by working with the Lutheran family and others as appropriate.

Achieved Outcomes:

Regular meetings and communication with relevant departments of the LCA continue to strengthen the effectiveness of our work. ALWS participates in joint workshops with other agencies (including gender, child protection, DRR & DRM) and regularly engages in work with PANZ, CAN and ACFID. Partnership Analyses are taking place with thorough discussion with each ALWS partner and are being used to inform the PEF and ALWS' engagement with the partner. Themes operated through Awareness Days across Australia, is a key part of some curriculum subjects. Joint CAN advocacy opportunities have been explored, including the Australian Aid Campaign. An advocacy team made up of representation across the organisation has developed a strategy which is expected to be finalised shortly. The Advocacy Strategy has included investigating pathways for involvement in global advocacy and directs next steps in considering involvement.

Goal 6: ALWS will **resource** its work with the people, funds and time needed to sustain the work of the organization

Planned Outcomes:

- Raise and secure the funds to enable its work
- Seek to improve the efficiency of its operations in order to free up resources for increased agency effectiveness.
- Implement an Operational Plan which reflects ALWS ability to meet the objectives of this Strategic Plan.
- Ensure it has the systems and capacity to appropriately care for, manage and govern the financial and human resources entrusted to it.
- Regularly assess the performance and encourage the development of staff and members of the board.

Achieved Outcomes:

ALWS supporters have by December 2017 donated significantly more than budgeted for entire period. A million-dollar response was received after the earthquake in Nepal, demonstrating supporter kindness at times of crisis. ALWS has met DFAT requirements for ANCP and CPP funding. Intentional focus on bequests made in 2017 as ALWS places more emphasis on fundraising. Successful matching grant opportunities through LWF/ECHO in Djibouti, South Sudan and Kenya. An Operational Plan has been designed with staff and board input to be a tool to reflect actions and outcomes required to meet the 25 objectives and 6 goals in the strategic plan. Information in this Operational plan is a result of a collaborative approach across all ALWS teams. A Mid Term Review of the plan confirmed that we are generally on target. A system to identify financial reserves, together with a simplified but no less rigorous financial reporting approach to the board, enables governance to make a more informed decision about finances. A finance advisor on the Board Advisory Group also provides a helpful resource for the board and management. Staff appraisals occur annually, providing personnel with the formal opportunity to provide feedback, and an environment has been created where all people should feel comfortable raising concerns if need be. A thorough remuneration review in August 2015 provided the organisation with a fair and appropriate benchmark for each role. Travel and workplace safety checks and policy have been reviewed and implemented, and workloads have been addressed, to ensure staff welfare is maintained.

SUCCESSSES

- A strong accreditation result from DFAT (February 2016) and continued acknowledgment of the quality of our reports.
- Clear and owned Strategic Plan with few changes at the Mid Term Review Stage.
- Sustaining support for long-term development programs and emergencies.
- Successful leveraging of collaborations for increased Matching Grants for Djibouti, South Sudan and Kenya.
- Accessing DFAT funding for emergencies through Church Agencies Network collaboration (CAN DO).
- ALWS influenced LWF and ACT Alliance's adoption of a more rigorous Child Protection Policy.
- Supportive board and board advisors, skilled and committed staff, and a committed family of volunteers.
- Positive perceptions of who we are in the sector and with overseas partners.
- Record number of visit to churches, schools, church groups and church events.
- Close Working relationship with LEA, LCAIM, LLL and the Office of the Bishop.
- Establishment of Reserves Policy and contingency funds.
- Quick turnaround of receipts during busy times.
- Successful Head Office Review.

CHALLENGES AND LESSONS LEARNED

- Continuous cuts in DFAT's funding impacting ALWS' support to overseas programs.
- Supporters are more naturally inclined to give to large-scale emergencies that long-term projects.
- Conflicts and political tensions in a number of countries have disrupted long term development work.
- Travel security risks for ALWS staff have increased, limiting some monitoring work.
- Remaining relevance in an aging church.
- LCA HRS system challenges.

RISKS

Describes risk, its source and impact	Describes actions currently in place to manage risk	Describes any additional action to improve risk management
--	--	---

		If existing risk management is sufficient, then 'Regular monitoring and review' Likelihood (L), Consequence (C), Risk (R)
1. Compliance Breach of DFAT contractual conditions due to inadequate financial and organisational controls resulting in cancellation of contract, demand for return of funds and loss of accreditation	<p>Consistent application of financial and program management systems</p> <p>Regular review of systems to ensure compliance</p> <p>Utilise resources and training programs to assist ALWS maintain standards</p>	<p>L2, C4, RH Regular monitoring and review.</p> <p>Maintain high level compliance requirements affirmed during accreditation in 2016.</p> <p>Appointment of Financial Strategist and Finance Officers (FTE 0.4) to keep abreast with financial obligations.</p>
2. Fraud An unprofessional and corrupt culture due to an absence of guiding principles and mechanisms to report breaches, resulting in poor behaviour and respect and leading to wrongdoing and a loss of support from stakeholders	<p>ALWS has all staff sign its Code of Conduct, which is explained at time of new staff/board members at induction, with periodic refreshers.</p> <p>Its Complaints Policy is understood and staff/board have confidence to use, if necessary</p>	<p>L2, C4, RH Regular monitoring and review. Reinforcement of principles in Strategic Plan, regular staff appraisals, reminder of terms in Letter of Appointment.</p> <p>All Letters of Appointment and appraisals up to date.</p>
3. Income Death of older members of the ALWS family, who tend to be the most able to be generous; they are irreplaceable.	<p>ALWS seeks to regularly recruit new supporters. Offers opportunity to supporters to leave a bequest to ALWS.</p>	<p>L5, C4, RE Ramp up Bequest promotion. Seek out other sources of funding for ALWS programs. Prepare Major Donor proposals for suitable supporters. Identify any people on 'Inactive' fail who may be suitable for reactivation. Intentional fundraising focus in 2017.</p> <p>Focus on appropriate management of bequests explored with Financial Strategist since mid June 2017</p>
4. Image and Reputation Failure to adhere to ACFID Code of Conduct requirements resulting in loss of signatory status, withdrawal of membership on	<p>All staff and are aware of Code requirements, the importance of adhering to them, and the value placed on being part of the ACFID network.</p> <p>Adequate human resourcing to ensure ALWS is compliant with all sections of the Code.</p>	<p>L2, C5, RH Regular monitoring and review</p> <p>Orientate board and staff on new Code of Conduct in February 2018.</p> <p>Address all areas of non-compliance identified through the May 2018 Code of Conduct</p>

ACFID workings groups and Church Agency Network, distrust within the sector and from discerning supporters, thereby threatening income and loyalty.	Biannual reviews of the Code, and reference to Code requirements during each emergency appeal.	Exceptions Report by March 2019
5. Partnerships Changes in LWF/DWS structure and operational capacity due to a change of mandate for World Service, resulting in a diminished ability to deliver the ALWS overseas aid program	<p>Reduce reliance on LWF/DWS as key implementing partner</p> <p>Participate actively in LWF processes to influence future directions</p>	<p>L2, C4, RH</p> <p>Maintain a close 'watching brief' of DWS through its Committee for World Service to minimise likelihood of a change of mandate.</p> <p>Maintain a close working relationship with and influence on all DWS programs we support.</p> <p>Participation at CWS meeting in November 2018. Input into DWS Strategic Plan Review July 2017.</p> <p>Regular monitoring and correspondence.</p>
6. Staff safety Staff safety compromised overseas due to dangerous environment, resulting in minor or serious injury, kidnapping or death	<p>Travel approval only given for countries deemed safe by the Executive Director, DFAT and the country partner.</p> <p>Travel documentation completed including travel risk assessment, pre-departure briefing conducted, and Terms of Reference agreed to, registration made with DFAT Smart Traveller, notice to LCA Insurance Fund, security briefing conducted on first day of visit with field office, safety precautions taken as outlined in the Travel Safety Policy</p>	<p>L3, C5 RE</p> <p>Regular monitoring and review of Travel Safety Policy</p> <p>Input into DWS' Security Handbook.</p> <p>Travel Safety process followed before each visit.</p>
7. Capacity Employees perform poorly and/or inappropriately due to poor/inadequate human resource management systems in place, including recruitment, review and disciplinary procedures,	ALWS follows the recruitment processes outlined in the ALWS Personnel Policy	<p>L2, C4, RH</p> <p>Regular monitoring and rev</p> <p>A clear strategic operational plan informs team workplans which are realistic, keeping staff accountable. Staff appraisals are up to date.</p>

resulting in under-achievement of objectives, low productivity and material losses due to wrongful behaviour		
8. Child protection ALWS staff, board member or volunteer harms a child due to inadequate screening procedures, lack of supervision, inadequate complaints processes, resulting in children being exposed to abuse or exploitation, serious loss to ALWS credibility, possible expensive legal action and disruption to ALWS operations	Child Protection Policy and procedures in place (recruitment, training, complaints mechanisms, consequences for breaches of Code of Conduct in place)	<p>L2, C4, RH Regular monitoring and review.</p> <p>ALWS Child Protection Working Group formed with representatives from all teams (second half 2016).</p> <p>Child Protection Policy and procedures updated in 2015 Child friendly Code of Conduct developed in 2015 Review of ALWS policy in progress by ALWS Working Group in response to new DFAT and ACFID Code of Conduct requirements</p>

ALIGNMENT TO LCA STRATEGIC DIRECTION 2013 – 2018

Previous submission made to GCC in May 2017. This portion has therefore been omitted from the Convention of Synod report to remain within the recommended report size of 5 pages.

COOPERATING LCA BOARDS AND AGENCIES

LCA International Mission	<ul style="list-style-type: none"> • Cooperation in joint programming and communication in PNG and Indonesia through working groups • Involvement in governance and strategic direction through appointment of ALWS Executive Secretary and Board Chair to IM Committee
Lutheran Education Australia	<ul style="list-style-type: none"> • Sharing of training opportunities and policy documents. • Draft Memorandum of Understanding between MI/ ALWS & LEA • Integration of ALWS community education into school curricula • School visits, Awareness Days, study tour opportunities.

Lutheran Laypeople's League	<ul style="list-style-type: none"> • Core budgeted funding (Indonesia) • 'Off-budget' funding (Development Awareness Raising) until 2015 • Annual income from permanent funds • Travel safety with LCA Insurance • Developed 'Take Home Action Kit' in partnership with LLL and LEA • Provide ad hoc strategic fundraising advice
Office of the Bishop	<ul style="list-style-type: none"> • Receiving and processing requests for asylum on behalf of the LCA • Joint advocacy efforts on international aid
Lutheran Media	<ul style="list-style-type: none"> • Provide ad hoc fundraising and communications strategic advice

FINANCIAL PERFORMANCE

Alignment to LCA Strategic Priorities Expenditure	2017	2016	2015
1 Growing as God's People	213,955	172,466	151,538
2 Going as God's People	5,808,379	5,973,290	5,998,308
3 Enable us to Go & Grow	1,097,385	889,981	886,802
Total	7,119,719	7,035,737	7,036,648