



# Value for Money in the Building Resilience and Adapting to Climate Change Programme

## Learning Brief

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# VALUE FOR MONEY

In the Evaluation Matrix of the Building Resilience and Adapting to Climate Change (BRACC) programme, evaluation question (EQ) 5 asks, “Is the project being implemented in the most efficient way compared to alternatives?”

## EXECUTIVE SUMMARY

As part of the BRACC 2021 evaluation, an assessment was carried out on a number of Value for Money aspects (VfM). The investigations focused mainly on the efficiency category of VfM, and themes such as cost efficiency and timeliness. However, a number of subquestions tackled other themes of VfM effectiveness, such as learning and leveraging. Overall, there is weak to medium strength of evidence to conclude on VfM efficiency, particularly cost efficiency. Demonstrating cost efficiency would be done best by cost efficiency analyses of programme costs and outputs. This would require a set of agreed VfM efficiency metrics to be monitored and reported by programme partners over a specific period. The trends on such metrics would enable comparisons that would help reach VfM conclusions. However, due to the funding uncertainty and impending budget cuts, the VfM workstream initiated by the BRACC Hub did not continue, and the VfM Strategy was not operationalised.

VfM investigation therefore focused on using other qualitative and quantitative evidence to answer the efficiency questions. The following methods and sources have been used: A review of financial statements from a number of BRACC partners; a review of VfM reports from BRACC partners; BRACC monitoring, evaluation and learning documents including Quarterly and Annual Reports, and Annual Reviews by the United Kingdom’s Foreign, Commonwealth and Development Office (FCDO); 17 interviews carried out with BRACC implementing partners (IPs) using an interview protocol with 19 questions on VfM; recorded calls and transcripts; analysis of codes and relevant coded sections of the qualitative interviews/Focus Group Discussions (FGDs).

This evaluation found that to a large extent, the milestones on outputs and outcomes as articulated in the programme logframe, were delivered on time. The onset of the Covid-19 pandemic, and for a number of partners, procurement-related delays, affected timely delivery. Overall, partners also performed timely in their response in adapting to changing circumstances. UK Aid funding shortfalls and the subsequent budget cuts were identified as the biggest constraint to the programme, and this also significantly undermined the partners’ ability to pursue adaptive management, which was a key design principle. The uncertainty over funding also affected the quality of financial management provided, leading the partner organisations to spend considerable time revising budgets. Overall performance on fund utilisation and cost-conscious financial management were found to be satisfactory to good among the implementing partners.

The interviews conducted as part of the 2021 evaluation revealed that there is good awareness of the costs of inputs among programme implementing staff. However, there are much less awareness and programme data on costs of delivery, even on routine outputs. With the exception of Promoting Sustainable Partnerships for Empowered Resilience (PROSPER) Markets, and to some extent on the World Food Programme’s Food Assistance for Assets (FFA) interventions, costs of delivery at output and result levels are unknown. Basic cost benefit comparisons for interventions, particularly for packages of interventions for beneficiary households, would greatly enhance our understanding and planning capabilities. It would help in decision making during programme implementation, as well as in designing similar future programmes. FCDO programme management should encourage this type of monitoring and assist the programmes in delivering the kind of VfM information that is expected of

them. For example, United Nations (UN) partners can be asked to document some of their costs of delivery in the remaining time on PROSPER.

It was evident from the 2021 evaluation interviews that BRACC was seen as too complex a structure, with many different organisations and components. While complexity brought time and cost implications to achieve coordination, ultimately it has also added some value through learning from each other and using best practices from participating organisations. However, there is distinctly more appetite for a leaner programme structure going forward. In addition, adaptive management, which was a key design feature, could not be explored fully by partners due to funding uncertainties and ultimately FCDO's stringent financial management requirements. Innovation, reflection and learning cycles during programme implementation might require a higher risk appetite in programme management than FCDO funding can currently allow.

In a counterfactual scenario of what would have happened without BRACC and what made BRACC different, three approaches were highlighted by respondents as representing good value for money: delivering a combination of layered and well-targeted interventions to households; influencing cash-based responses; and finally, engaging the private sector perspective in resilience programming.

Recommendations to be considered both by FCDO programme management and by BRACC partners:

1. Encourage VfM strategies and metrics to be adopted early on in the programme, for example at the same time as logframe indicators.
2. Ensure better learning through compiling and using widely the costs of standard outputs by programmes.
3. Consider having a leaner programme structure in the future, with more resources dedicated to coordination, reporting and Monitoring, Evaluation, Accountability and Learning (MEAL) structures, within and alongside partner organisations.
4. Promote learning from BRACC on prioritising cash-based responses and market development and private sector perspectives in future resilience programmes in Malawi and beyond.

## WHAT UNANTICIPATED, POSITIVE OR NEGATIVE, ENABLERS OF CONSTRAINTS HAS THE PROJECT ENCOUNTERED?

The most significant constraints facing BRACC were the Covid pandemic, and uncertainties around UK Aid funding cuts and the subsequent closure of parts of the programme. There were other constraints faced, such as political instability in Malawi in the early stage of BRACC, however the impacts from the former two constraints have undoubtedly been the most prominent. This was the conclusion from all the evidence reviewed for the programme, including the surveys and interviews for the Process Evaluation, as well as the 2021 Evaluation.

The programme implementers made a large number of adaptations due to the Covid pandemic, however for many partners, Covid only stalled the activities temporarily. They found ways to adapt the delivery models relatively quickly. PROSPER interventions continued in the field, with prevention and mitigation measures in place. PROSPER staff reduced non-essential activities, and a number of monitoring or verification exercises had to be postponed. Restrictions on gathering of people also impacted on field activities. Hand sanitation stations were set up for, during and after field activities. African Parks staff mentioned changing their campaigning methods and using radio and TV broadcasting instead of in-person and field meetings. Interviewees also mentioned specific impacts on the Village Savings and Loan groups particularly in the earlier days of the pandemic, including lower participation and reduced frequency of group meetings; and reduced savings levels related to reduced ability to continue their livelihood activities. Covid also led to supply chain issues in Malawi, which

particularly affected the United Nations Development Programme (UNDP) among the implementing partners, as they were leading the construction of the flood evacuation centres. Further, cement prices went up more than they had budgeted for, and the price escalation for other inputs was beyond their inflation estimates.<sup>1</sup> They had to mitigate this by using own resources to fill the gaps.

It was also mentioned in the interviews that the non-governmental organisation (NGO) consortium, and to a large extent the UN consortium, stayed on in Malawi during the Covid lockdown when some of the other international organisations sent their staff back to their home countries. This was potentially an enabler in the continuation of implementation.

On the issue of unanticipated constraints, the BRACC Process Evaluation Report found: "... by far the biggest impacts on programme implementation to date have been due to Covid-19 and, to a greater extent, budget reductions and uncertainty".<sup>2</sup> A few months after those findings – and having made more Covid-related adjustments on the programme components – the interviewees suggested that the UK Aid budget cuts constituted the biggest constraint to the programme. The depth of the cuts was also only confirmed after the process evaluation took place (the interviews were in February/March 2021). Many BRACC partners could continue delivering after 'Covid-proofing' their operations and models of delivery. It was not always possible, however, to adapt fully or easily to the funding cuts, as discussed further under section 5.2. The social protection component led by the German development agency GIZ experienced difficulties making Covid adjustments, as their work depended significantly on meetings with Government counterparts or decisions to be taken by them. Understandably, a different set of priorities had overtaken the Government agenda at the time, which meant that the GIZ work was stalled. In a similar way, although the magnitude of the budget cuts was less significant as co-funder USAID committed to fill the gap, Modern Cooking for Healthy Forests (MCHF) was also negatively affected by the Covid-related slow-down, as they were just commencing operations when the pandemic hit. They adapted by changing parts of their workplan and focused on the activities which required less in-person interactions, such as the design of their Clean Cooking Fund.

It was difficult for some partners to channel a proportion of their funding to Covid prevention, or 'Covid-proofing' their operations. African Parks mentioned this as a significant challenge for them, particularly given that they had a smaller grant than other BRACC components. They also felt, as a small organisation, they did not have the resource flexibility to make these adjustments easily.

As for enablers, several examples can be highlighted. The NGO consortium suggested that they had a coherent proposal and approach from the beginning, underpinned by years of collaboration in Malawi. The partners of the NGO consortium, including CUMO and PROSPER Markets, knew each other well from past experience. Interviewees from the NGO consortium emphasised this familiarity as a building block for their efficient collaboration under PROSPER. Similarly, UN Consortia partners reported good working relations overall, despite the challenging start to the programme. Many interviewees particularly credited the two consortia coordinators and their efforts in enabling the collaboration.

Another enabler mentioned by several respondents was the ability and experience of working 'in the government machinery' of the UN agencies, both at district and national levels. It was argued that this has helped in getting organised at district level, as well as in ensuring that interventions are sustainable, as they would have included cooperation of government officials such as District Development Officers, Agricultural Development Officers, or Village Development Committees.

One final enabler to highlight, though arguably not unanticipated, was the targeting model of the

<sup>1</sup> Programme KIs, August to October 2021.

<sup>2</sup> BRACC Process Evaluation Report, BRACC Hub, v. dated July 2021, p.12.

programme. Several interviewees indicated that the Community-based Wealth Ranking model, although it could have been improved upon had there been more time available, formed a good basis for engagement in the programme districts, encouraging local ownership and buy-in. This was also confirmed by the positive feedback in the qualitative interviews and focus group discussions (FGDs).

## WHAT HAS BEEN CHANGED OR ADAPTED IN TERMS OF INTERVENTION DESIGN AND WHY?

Covid-related adaptations on a number of interventions and delivery models were discussed previously. In this section, a number of other adaptations will be presented. At the early stages of the programme, adaptations were largely tactical (on improving means of delivery) rather than strategic (changing 'what' the programme is doing).<sup>3</sup> A significant example for the latter, but possibly for both tactical and strategic changes, is the Cash for Inputs model. It originated from suggestions from the FCDO Malawi programme management to offer cash to beneficiaries to buy agricultural inputs, instead of organising agricultural input fairs for the beneficiaries. This was implemented successfully and influencing cash-based responses was mentioned by many interviewees as one of the highlights of BRACC implementation. Some respondents among district-level government staff had reservations about the approach, as noted during the Process Evaluation of BRACC. Overall, however, as it meant buying the inputs closer to communities, injecting cash into the local economy and giving more choice to beneficiaries through provision of cash, this is widely seen as a successful adaptation in the programme. Furthermore, a significant number of interviewees mentioned 'cash payments' as an enabler in the qualitative interviews and FGDs, carried out as part of the 2021 evaluation.

Another example of adaptation was on the use of triggers for Crisis Modifier Funds. The frequency and severity of environmental shocks in Malawi suggested that without a crisis modifier type of response mechanism, any resilience gains through programme interventions could be lost.<sup>4</sup> Initially FCDO Malawi programme management intended to put in place more objective and transparent triggers (such as satellite-based data), but this did not work due to time limitations. They then worked with the other donors of the World Food Programme (WFP) and were largely led by the Malawi Vulnerability Assessment Committee (MVAC) process to trigger the lean season response. The Crisis Modifier Funds were used twice during BRACC implementation.

A number of respondents mentioned that the risk appetite at FCDO was not perceived to be sufficiently high to truly apply adaptive management to everyday programming. While it is commendable that UK taxpayers' funds are well-scrutinised against risk, such low appetite for risk can tie the hands of the programme implementers that could experiment more, and in turn, learn effectively from innovations.

UK Aid funding shortfalls and the subsequent budget cuts significantly hampered the programme's ability to pursue adaptive management, which was a key design principle for BRACC. Particularly during the second year of implementation, the anticipation of the pending cuts has inevitably dampened innovative spirits among the implementing staff. This was mentioned in a number of interviews. Funding uncertainties also had an opportunity cost in terms of time spent on revising spending forecasts, time that could potentially have been spent refining the interventions, which likely compromised adaptive elements stipulated in the design.

One interview on this issue highlighted that, for implementers, it was difficult to make course corrections during the programme, as there are time constraints, and budget structures to be followed in a financial year. The normal programme cycle "was too compressed to reflect and make course

<sup>3</sup> BRACC Annual Review, December 2020 Update, p.3.

<sup>4</sup> BRACC Process Evaluation Report, BRACC Hub, v. dated July 2021, p. 13.



corrections” (PROSPER IP). However, it was argued that the PROSPER Hub was well-placed to do this and could have performed the tasks of monitoring the adaptations and sharing lessons with the partners, had their funding continued.

The budget cuts, which then led to early exit and programme closure for many of the BRACC partners, was defined as a ‘barrier’ to achieving programme results, often mentioned in the household surveys carried out as part of this evaluation. Large numbers of beneficiary households expressed disappointment that BRACC, to a large extent, has come to an end.

## ARE ACTIVITIES COST-EFFICIENT?

Understanding and demonstrating cost efficiency would be done best by cost-efficiency analyses of programme costs and outputs. This would require a set of agreed VfM efficiency metrics to be monitored and reported over a period of time, by programme partners. The trends on such metrics would enable comparisons that help to reach VfM conclusions. The process of designing a VfM Strategy started during the second year of the programme, after the Hub became operational in 2020. However, due to the uncertainty and impending budget cuts, the VfM workstream did not continue, and the Strategy was not operationalised. BRACC partners reported infrequently on VfM and usually only on qualitative good practice examples compiled from project implementation.

During the 2021 evaluation process, financial expenditure statements from a number of programme partners were reviewed. Programme outputs and results were also available, both in the PROSPER logframe and the wider BRACC logframe which included the non-PROSPER partners’ activities. However, there were still a number of challenges in conducting quantified cost-efficiency analyses, the main reason being that budgets and corresponding expenditure statements of BRACC IPs are input-based. The cost categories are often similar, such as staff costs, activity costs, MEAL costs, and equipment costs. However, these input-based statements do not lend themselves to output-based calculations, which VfM cost efficiency requires. It was therefore not possible to match logframe outputs (and outcomes) with expenditure accurately and confidently. For example, in PROSPER, logframe output 1.3a is about irrigation activity and how many people have been reached with PROSPER irrigation support. If the number of those people could be matched with an accurate expenditure on irrigation, a cost per irrigation beneficiary could be reported. Comparisons would then need to be made across BRACC projects internally, or with other local programmes externally, to reach VfM conclusions.<sup>5</sup> There is a plethora of monitoring and evaluation information generated by all BRACC partners. However, they do not enable VfM calculations on cost efficiency.<sup>6</sup>

These challenges signify a weakness in evidence to conclude whether BRACC activities were cost efficient. However, this was mitigated by conducting interviews with lead programme implementers from all BRACC components who provided examples for efficient programme delivery. Further, an analysis of key cost components was done on the financial statements that were provided to the evaluation team, who also looked at the quality of financial management, including performance on fund utilisation and budget forecasting, and awareness of costs. These elements are discussed below.

### Quality of financial management at BRACC partner organisations

Fund utilisation overall has been good, with some BRACC partners performing better than others. The

<sup>5</sup> One further challenge was that in PROSPER, UN and NGOs partners used different household size assumptions for their result reporting: 4.4 and 4.5 respectively.

<sup>6</sup> With the exception of PROSPER Markets, who reported on VfM adequately, using learning from previous similar FCDO-funded programmes.

main challenge for partners has come from accurate forecasting, and this was, in most cases, due to UK Aid funding uncertainties and anticipated cuts in spending from 2020/21. The programme management at FCDO Malawi has worked with all partners, trying to manage the uncertainty regarding the funding levels. BRACC partners in return, had to revise quarterly and annual forecasts several times during the reporting periods. In the words of one PROSPER implementing partner, “We had limited scope to do any adaptations financially. We constantly had to undercut our budget estimates to avoid underspend”. This means that often good fund absorption was achieved at the expense of accurate forecasting. Many partners commented on the funding uncertainties as the biggest constraint that the programme faced, as discussed previously. This was also emphasised in the Closing Review by the NGO Consortium recently:

“.....within [the] PROSPER programme, uncertainties around funding was the most significant limitation to programme success and curtailed activities as well as potential adaptations to improve results, and ultimately impacted on the VfM delivered by the programme”.<sup>7</sup>

One example of curtailed activities was the closure of the Pump Aid grant ( a sub-grantee in the Concern-led consortium) in October 2020 due to funding uncertainties, which led to ceasing of irrigation interventions.

Overall fund utilisation (funds disbursed against forecasts) at December 2020 was 100.9% as per the Annual Review, as a result of the tight financial management steered by FCDO Malawi, and followed diligently by the partners. The fund utilisation table, as at September 2021, is summarised in Table 1.

At the time of writing, a number of BRACC partners had completed, or were undergoing external financial audits, as required by FCDO Malawi. This included even the sub-grantees, such as the contractor for PROSPER Markets, which constitutes a VfM good practice. FCDO Malawi reported that the audits did not return any qualified opinions, however the audit for African Parks noted a number of outstanding findings.<sup>8</sup>

Table 1: BRACC Fund utilisation

<i>BRACC Component</i>	<i>Original Budget (£)</i>	<i>Spend to Date (Sept 2021)</i>	<i>Remarks</i>
<b>UN+Lean Season Response</b>	37,100,100	29,972,072	The funding will continue until 2022
<b>Concern-led Consortium</b>	25,650,000	13,983,205	The funding was cut as at August 2021.
<b>GIZ</b>	5,000,000	2,691,842	MoU was terminated as at July 2021.
<b>African Parks</b>	1,000,000	850,568	The Accountable Grant was closed as at April 2021.
<b>Modern Cooking for Healthy Forests</b>	4,000,000	571,432	Unknown whether this will continue with UK funding (US funding continues).
<b>MEL Hub (LTS Consortium)</b>	5,753,926	544,393	The funding for the Hub was cut, and evaluation activities will end by January 2022.

Source: FCDO Malawi, KIs for the 2021 Evaluation, BRACC Annual Reviews 2019 and 2020.

<sup>7</sup> PROSPER NGO Consortium Programme Completion Report, October 2021, page number unidentified.

<sup>8</sup> Such as a failure to have a separate chart of account for the FCDO project funding.

## Measures to control costs and record savings

A significant number of savings examples were collected through interviews and review of programme documentation. The savings were achieved either through negotiations with suppliers for various procurement actions (including one UN partner securing a reduction in the service fee of a financial services provider from 4% to 2% and one BRACC partner negotiating the commercial terms of their preferred bidder for audit services provision); or cost-conscious behaviour by project teams (such as sharing vehicles to go to the field and using meeting facilities of partner organisations rather than renting a venue).

Bulk and/or joint procurement by consortium partners would have been one way of achieving cost savings, however this was mostly not done. NGO consortium partners mentioned periodic district-level coordination meetings where they discussed costs of routinely procured inputs. For example, they would discuss costs of livestock, pumps, seeds in the programme districts, as well as the local suppliers of those inputs. However, they did not procure those jointly. Similarly in the UN consortium, bulk purchases of inputs, or pooled procurement for project vehicles or equipment could potentially save time and costs. “The procurement actions and budgets were fairly ring-fenced” (UN implementing partner). Some held the view that the steer towards joint procurement should have come from FCDO programme management. It is conceivable that the delayed start on the programme and the subsequent time pressures on all partners prevented closer cooperation and action on this issue.

Covid-related adaptations, as discussed previously, also led to some efficiency savings. One NGO partner explained that by conducting the same training remotely and on WhatsApp-based modules, they recorded significant savings per training activity, and reached a lot more people.<sup>9</sup> The urgency to limit movements meant that the partners started rationalising field trips and coordinating better among each other. They also utilised the district coordinators more effectively, as highlighted in the interviews. It should be noted that while these were done not with a cost-cutting motive as a priority, but as a response to changing circumstances, they led to more efficient use of time and other project resources, which represents good value.

## Key cost categories

A number of financial statements from BRACC was made available by FCDO programme management.<sup>10</sup> Financial reporting formats were not uniform across BRACC partners. However, staff costs, programme activities and indirect costs were identifiable in all of them. The Concern-led consortium had the lowest indirect costs as proportion of total spending, at 5%. The range in the indirect category was 5 to 14.8% among BRACC partners whose statements were available.<sup>11</sup> This represents the lower end of the range among similar projects and organisations in international development. The staff costs category was not easily comparable due to differences in delivery and operational modalities. For example, the NGO consortium statements showed staff costs and programme activity costs separately, whereas for the Hub, these categories would have been almost identical, as the Hub’s main operation modality is through technical assistance. Similarly, the International Food Policy Research Institute (IFPRI) had staff costs and ‘collaborators’ cost categories separately, which, taken together, must represent expertise or technical assistance costs in total. WFP

<sup>9</sup> For entrepreneurship training, IP reported that the cost of trainers was around MKW 400k (in the field for four days) and the training reached around 300 people. Now, using the digitalised modules shared via WhatsApp, the organisation reaches around 3,000 people, at a cost of around MKW 140k (IP Interview, 15/09/2021).

<sup>10</sup> Those that are not available at the time of writing are UN consortia, Crisis Modifier Funds (managed by WFP), and MCHF components.

<sup>11</sup> African Parks’ financial statements did not itemise any non-project attributable costs, and it could not be clarified whether this was included in some other way.



reported that 63.7% of their budget was transfers to FFA beneficiaries<sup>12</sup>, however the details of this, or the breakdown of the rest of that budget was not available. The evaluation team found none of the cost categories in the available statements to be outstanding, however this can be better verified by external financial audits.

### Programme staff awareness of input and output costs

It was evident from the evaluation interviews and the quarterly reports of BRACC partners, that implementing staff were well aware of input costs, particularly those routinely used by the projects. Both technical and financial staff frequently referred to costs of livestock, pumps, seeds, airtime, travel costs, technical assistance, and the like during the interviews. However, there was less awareness of costs at output level, in other words, costs of delivery. For example, an NGO partner working on VSL did not readily have, or routinely collect, information on set up, or lifetime costs of VSL groups for the BRACC programme.<sup>13</sup> One UN partner was able to provide working assumptions on the costs of Farmer Field Schools (FFS), with the expectation that the costs would decrease over time once the farmers start training others, however they had not carried out an assessment to verify those estimates. Another UN partner noted challenges with presenting a cost per evacuation centre that was built. These are a few examples of what could have been reasonably standard and documented output costs under BRACC. Overall, the interviews showed that there is limited understanding and programme data on costs of delivery. It is recommended that this be improved going forward. For example, UN partners can be asked to document some of their costs of delivery in the remaining time on PROSPER.

#### **Box 1: VfM Good Practice Example from PROSPER: *Reviewing pay benefits against local market conditions***

Concern utilised the Birches study as a basis to benchmark salaries (including benefits) against the local market for both national and international staff. As a policy, Concern benchmarks salaries at the 50th percentile of the Birches study. Birches is a human resources (HR) consulting firm which carries out salary surveys in many countries, as well as other HR functions, including for NGOs and international organisations.

Similarly, PROSPER Markets negotiated and offered to FCDO more competitive levels of fee rates for their core programme staff, benchmarked to the previous similar market development programme, MOST.

*Source: PROSPER NGO Consortium, VfM Actions Template, KII with PROSPER Markets in August 2021.*

## ARE OBJECTIVES BEING ACHIEVED ON TIME?

To a large extent for PROSPER, the milestones on outputs and outcomes as articulated in the programme logframes, were reached on time, largely thanks to the majority of activities being tied to the agricultural season in Malawi. Studying the annual reviews of the programme shows that in a majority of the milestones, the implementing partners met, and sometimes exceeded the milestone targets for the corresponding period.

<sup>12</sup> VfM Actions Template by UN Agencies, June 2020, p.1.

<sup>13</sup> They noted that they had this information for reporting to their Board concerning other projects in Malawi but had not done the calculations for PROSPER interventions.

There were delays initially, however, with the UN and NGO consortia of PROSPER trying to merge their proposals and finalise consortium arrangements. Further delays took place when Covid halted project activities temporarily as discussed previously, as well as when procurement delays affected the pace of delivery. The former challenge could be mitigated to a large extent by many BRACC partners, with some exceptions. MCHF, for example, explained that they were at the end of year 2 as per time lapsed on the programme, however close to year 1 in terms of planned delivery, due to Covid hitting the project when it was just getting off the ground. Covid-related delays and change in government priorities also affected the pace of delivery for GIZ, another BRACC partner, as the progress in their work largely depended on district and national government counterparts making decisions in social protection and beneficiary registry areas. These delays affected the GIZ work so fundamentally that it led to the early termination of the memorandum of understanding between GIZ and FCDO.

The recent evaluation of the WFP's FFA found that there were widespread delays in delivery to beneficiaries across different FFA districts, however these were 'often not within WFP control', meaning that they were mostly about the pipeline availability of commodities locally or nationally.<sup>14</sup> In addition, a number of programme beneficiaries reported in the qualitative interviews and FGDs that they were waiting for insurance payouts and noted delays.<sup>15</sup>

Procurement-related delays were visible in one UN partner's activities where a large quantity of bicycles for their community-based facilitators arrived a year after they were due. Building of flood evacuation centres/shelters by another UN partner also faced procurement and resourcing delays. The IP issued two contracts for four shelters (one in each programme district) to spread potential risk of failures in delivery, which led to a more time-consuming contract management process. They also faced delays from the logistical and supply chain problems that are not unusual for Malawi, however this time worsened by Covid.

Failure in timely delivery was not associated with any payment or funding disbursement penalties, as per the modalities of BRACC engagement with FCDO, except in the contract with the service provider for the Hub. The contract between FCDO and the Hub service provider was a fully milestone-based contract in which missed timelines could lead to withholding of fee payments, however this never happened. A majority of contracts issued by FCDO in recent years are partially or fully milestone-based, as a way to drive VfM.

In terms of measures to mitigate the impact of delays, one UN partner explained that they sometimes carried out double distributions to beneficiaries in order to avoid expected or seasonal delays, for example around Christmas time. NGO partners mentioned maintaining constant presence on the ground and communicating with field staff regularly in order to anticipate and act to mitigate potential delays. One PROSPER IP mentioned that they try to create and exploit synergies between their existing programmes in the field, again in an effort to deliver timely.

A final point on timely delivery was the role of PROSPER coordinators. There was almost unanimous acknowledgment by interviewees of the important role of the UN and NGO consortia coordinators in ensuring timely delivery and decision making. This was achieved either through bringing partners together and calling meetings when needed, or compiling reports for submission, or coordinating with FCDO programme management.

<sup>14</sup> Evaluation of the Food Assistance for Assets FFA in the Context of Malawi 2015-2019, June 2021, p.31-32.

<sup>15</sup> At the time of writing, a WFP representative told the evaluation team that the payouts are being processed across the programme districts.

## WHAT IS THE VFM OF COMBINING THIS NUMBER OF PARTNERS UNDER THE SAME PROGRAMME?

Simply put, a majority of interviewees preferred to have fewer implementing partners under the programme. While acknowledging that resilience is a multi-faceted problem that requires addressing from many angles, the majority of partners argued that this would be better achieved through fewer organisations working together.

Both PROSPER partners and non-PROSPER BRACC partners stated that there was little collaboration outside of periodic meetings where all BRACC IPs got together. Some BRACC partners admitted that collaboration was encouraged and prompted more on specific issues by FCDO programme management, rather than happening organically. Within PROSPER, by contrast, there was a reasonably good level of collaboration: for example, use of standard operating protocols, district-level coordination structures, information exchange, and adoption of products designed by others in the consortium. PROSPER constituted such a significant portion of the programme in terms of resources and activities that, to many beneficiaries, BRACC was PROSPER. One PROSPER IP noted that what was happening was “putting a BRACC identity on what was mostly PROSPER”.<sup>16</sup> A number of PROSPER actors admitted that while there was not a lot of interaction with BRACC partners outside of PROSPER, had there been sufficient time on the programme, they could potentially have more opportunities to collaborate.

A number of partners recognised the need for several organisations to work together to address complex problems, however they suggested that this needs more flexibility built in programmatic structures. “The nature of development work is changing, and it is more fluid. You can build a big consortium to do many things and that is fine, but then you need to be agile” (PROSPER IP).

A large number of responses argued that consortium models are often hard to implement, highlighting that, under BRACC, having two consortia and a few other organisations working side by side has proven even more challenging, when it is often challenging enough under one consortium. The synergies among the partners may have been lacking at the outset, and they could not flourish widely during the implementation. The Hub could help tackle some of these challenges, however, it was impeded by a different timeline (started later than others), and then did not have time to implement their programme-wide activities as their funding was also cut. Many IPs mentioned in the interviews that the Hub came on board too late.

One view on the multi-partner structure of BRACC was that while there may have been inefficiencies at the outset, and that it took a long time to get started, having multiple partners potentially generated value further on in the programme. The examples of this were most evident in the coordination of programmes at district level, and also in the harmonisation of approaches. Standard operating protocols, for example, brought out the best practices from each agency and they were being adopted. This view stipulated that the complexity may have brought cost implications to achieving coordination, but ultimately it has added value. Some others viewed this differently and thought that the costs of achieving coordination were a lot higher than what was allowed in their budgets. That view proposed that the management and reporting burden was significantly high at BRACC, and that the level of funding from the donor needed to be commensurate with the expectations from FCDO. One PROSPER IP suggested that there was a need for a larger project management unit structure that was fully funded beyond the two coordinators.

One final view on the issue argued that the main challenge may not have been working with many

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<sup>16</sup> KII, September 2021.

people, teams and organisations, but that it originated from working with many, and sometimes conflicting organisational cultures across sectors. BRACC has brought together NGOs, UN agencies, government actors, and private sector entities. This aspect may have been overlooked at the beginning of BRACC while merging the two sets of proposals.<sup>17</sup> “Something less complex, something that takes into account the organisational cultures would be more desirable” (BRACC IP).

### **Box 2: VfM Good Practice: *Using results-based payment mechanisms***

MCHF designed and launched the Malawi Clean Cooking Fund, which is a results-based performance grant system. The grants are structured so that they are paid on achievement and verification of agreed deliverables. The sizes of the grants vary from \$30-40k (small) to \$250k (large). This ensures a better VfM performance.

*Source: KII with MCHF, Sept 2021; MCHF Third Quarter Report, July 2021.*

## **WHAT IS THE VALUE OF COMBINING INTERVENTIONS FOR BENEFICIARIES AND HAVING INTERVENTIONS TARGETING DIFFERENT SCALES?**

A majority of respondents from implementing partners consider resilience as a multi-layered and multi-faceted problem, that can be tackled effectively by implementing approaches of poverty reduction, social protection and climate adaptation. The general recommendation from the findings of the first Annual Survey was supportive of this integrated approach.<sup>18</sup> The beneficiary opinions on having multiple interventions for one household were also similarly positive. In many ways, BRACC efficiently leveraged expertise from a diverse set of organisations. This was particularly evident for the Stepping Up and Stepping Out groups who would, for example, simultaneously be part of a VSL group, watershed management committee, livestock pass-on initiative and trainings on climate smart agricultural techniques. However, these intervention packages were not costed. Their benefits are also unknown in monetary terms. This means we are unable to say for an average package which costs X amount to deliver, the benefit generated was Y amount in return. That type of calculation would allow us to make comparisons, and more confident VfM judgments, particularly about the combination of different interventions. On the other hand, the feedback from households in the qualitative interviews and FGDs, and also from the programme implementers validate that a combination of interventions was considered to provide value for the investment made.

Further, the quantitative analysis presented along with this synthesis report quantified some of the outcomes such as increased yields. Among BRACC components, PROSPER Markets made a number of cost and benefit comparisons that potentially indicated good value for money. For example, it was calculated that over £6 million was generated in increased income (Net Attributable Income Change, or NAIC)<sup>19</sup> and this signified a 3:1 return for benefit to cost ratio, taking into account the expenditure by PROSPER Markets. Similarly, WFP found that, for their asset creation and resilience building interventions (which included FFA), potential Economic Rate of Return over ten years would be 7.3%.<sup>20</sup> It is recommended that in the remaining time for BRACC, IPs focus more on costing and valuing various intervention packages. This will enhance our understanding of costs and benefits of resilience and contribute significantly to the design of similar future programmes in Malawi.

<sup>17</sup> This is discussed in detail in the Programme Design Brief, as part of the outputs of the Endline Evaluation.

<sup>18</sup> NGO Consortium Completion Report, 4 October 2021, p.5.

<sup>19</sup> A commonly used cost-effectiveness metric for market development programmes.

<sup>20</sup> Integrated Resilience Building in Malawi, WFP Evidence Generation Summary, September 2021, p. 7.



In relation to what difference BRACC may have made as a resilience programme, many interviewees singled out the importance of cash-based responses, and engaging market actors. On the former, there was almost unanimous support from the implementers as to the effectiveness of cash-based responses, such as Cash for Inputs. The approach mobilised agrodealers to promote relationships between the private sector and farmers, reaching nearly 60,000 farmers (58% women) in the summer season (2020/21) and 27,347 farmers (60% women) in the winter season of 2021.<sup>21</sup> It was also reported that the farmers prioritised short season maize varieties, and nearly half of the farmers used the input support to diversify into other crops (such as groundnuts, beans, vegetables, millet, sorghum) and to buy fertilisers, pesticides, and farm tools. As for including the private sector perspective into resilience programming, there is a view among the implementers that this has led to a step change in thinking of resilience issues in Malawi. This PROSPER component mainly worked on improving access to better variety seeds, access to spray services and inoculants, improving input supply mechanisms, access to animal health products, and finally improving models of Incentive-Based Contract Farming. Finally, many respondents also highlighted delivering multiple interventions to households and communities as an approach that strengthened the VfM proposition of the programme. The BRACC Process Evaluation earlier in the year, as well as the Qualitative interviews and FGDs conducted for the 2021 Evaluation noted that interventions were coherent, with very little negative feedback and few challenges raised in this regard at programme planning as well as implementation levels.<sup>22</sup>

On the issue of combination of multiple interventions and targeting, many held the view that there is a need to nuance the package of interventions particularly addressing Stepping Up and Stepping Out, as well as clearly defining the graduation conditions between the Hanging In, Stepping Up and Stepping Out groups. A report by the NGO consortium unpacked the graduation challenge further: “More conscious stepwise planning of graduation pathways was needed, with clear criteria for households to graduate, and opportunities for households with potential to benefit from interventions provided to other wealth groups to engage in those pathways.” The layering and sequencing of interventions is also very important. For example, the package of CSA practices needs to be unpacked and sequenced, starting with practices that have easy adoption and can give quick results, followed by those with longer time frames and labour/resource needs for adoption and results.<sup>23</sup> These were mentioned by several interviewees, as well as by beneficiaries themselves in the qualitative interviews and FGDs.

A final point on efficiency is regarding leveraging of BRACC work going forward. Leveraging of BRACC interventions is important, particularly now, given that a big part of the programme has come to an end. Several examples of interventions leveraged by BRACC partners are expected to be continued by other development partners. For example, on the Defence Resource Management Information System (DRMIS), UNDP reported that the World Bank will likely scale up on three additional districts. It is also expected that the incentive-based contract farming model that PROSPER Markets used will be picked up and continued by GIZ. African Parks also aim to continue their alternative livelihoods work in some of Malawi’s national parks using a Newton Fund grant from the UK’s Department for Environment, Food and Rural Affairs.

<sup>21</sup> PROSPER NGO Consortium Completion Report, October 2021, p.3.

<sup>22</sup> BRACC Process Evaluation Report, BRACC Hub, v.dated July 2021, p.30.

<sup>23</sup> PROSPER NGO Consortium Completion Report, October 2021, p.5-6, and PROSPER Interviews for the Endline Evaluation.



# KEY FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

It has been a challenging programme context for BRACC implementers who faced significant constraints from the Covid pandemic, and the UK Aid funding uncertainties and subsequent cuts. The latter meant that the large parts of the programme came to an early end. Those constraints affected almost all aspects of efficient delivery such as timeliness, adaptive management and working together, among others. The key findings and conclusions regarding the VfM questions above are summarised here.

1. To a large extent for PROSPER, the milestones on outputs and outcomes as articulated in the programme logframe, were delivered on time. Covid, and for a number of partners, procurement-related delays, affected timely delivery. Overall, partners also performed timely in their response to adapt to changing circumstances.
2. Cost efficiency would be best judged using periodically monitored VfM metrics, however BRACC ran out of time to implement a VfM Strategy, due to the funding cuts. Overall performance on budget forecasting, fund utilisation and cost-conscious financial management was found to be satisfactory to good among the implementing partners.
3. Resilience is a multi-layered and multi-faceted challenge, and it can be tackled effectively by deploying approaches of poverty reduction, social protection and climate adaptation. In the BRACC experience, targeting households with multiple interventions was received positively by beneficiaries. Many held the view that there is a need to nuance the package of interventions addressing different wealth groups, as well as clearly defining the graduation pathways between them.
4. BRACC was seen as too complex a structure with many different organisations. While complexity brought time and cost implications to achieve coordination, ultimately it has also added some value through learning from each other and using best practices from participating organisations. There is, however, distinctly more appetite for a leaner programme structure going forward.
5. UK Aid funding shortfalls and the subsequent budget cuts significantly hampered the partners' ability to pursue adaptive management, which was a key design principle of BRACC. Furthermore, the partners struggled to simultaneously cater for FCDO's financial management requirements and take up innovation and reflection, in what amounted to a short time of implementation.
6. In a counterfactual scenario of what would have happened without BRACC and what made BRACC different, three approaches were considered to represent good value: bringing a combination of layered and well-targeted interventions to households; influencing cash-based responses and finally, engaging the private sector perspective in resilience programming.

In light of these findings, recommendations to be considered both by FCDO programme management and by BRACC partners are listed below. Some of them, such as compiling costs of delivery, can be addressed in the remaining time on PROSPER.

1. Encourage VfM strategies and metrics to be adopted early on in the programme, for example at the same time as logframe indicators.

2. Ensure better learning through compiling and using widely the costs of standard outputs by programmes.
3. Consider having a leaner programme structure in the future, with more resources dedicated to coordination, reporting and MEAL structures, within and alongside partner organisations.
4. Promote learning from BRACC on prioritising cash-based responses and market development and private sector perspectives in future resilience programmes in Malawi and beyond.

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