

Section 4 Appendix A

CALLDOWN CONTRACT

Framework Agreement with: Christian Aid

Framework Agreement for: Governance & Security Framework

Framework Agreement Purchase Order Number: PO 5672

Call-down Contract For: Strengthening Transparency, Accountability & Responsiveness in Ghana – Phase II

Contract Purchase Order Number: PO 7120

I refer to the following:

1. The above mentioned Framework Agreement dated 01 May 2012
2. Your proposal of 24 April 2015 and revised Commercial Proposal submitted to the Contract Officer on 02 September 2015.

and I confirm that DFID requires you to provide the Services (Annex A), under the Terms and Conditions of the Framework Agreement which shall apply to this Call-down Contract as if expressly incorporated herein.

1. Commencement and Duration of the Services

- 1.1 The Supplier shall start the Services no later than 19 October 2015 ("the Start Date") and the Services shall be completed by 18 October 2020 ("the End Date") unless the Call-down Contract is terminated earlier in accordance with the Terms and Conditions of the Framework Agreement.

2. Recipient

- 2.1 DFID requires the Supplier to provide the Services to the Ghanaian Civil Society ("the Recipient").

3. Financial Limit

- 3.1 Payments under this Call-down Contract shall not exceed £22,000,000 ("the Financial Limit") and is exclusive of any government tax, if applicable as detailed in Annex B.

Payments under this contract shall be partly made on a 'Milestone Payment Basis' and partly on the basis of actual fees and expenses incurred as described in more detail in Proforma 4 Section 5. Actual fees and expenses shall be in accordance with Clauses 19.3 of Section 2 and the Milestone Payment basis as follows:

Milestone Payment Basis

Where the applicable payment mechanism is "Milestone Payment", invoice(s) shall be submitted for the amount(s) indicated in Section 5 as and when the relevant milestone is

achieved in its final form by the Supplier or following completion of the Services to DFID's satisfaction, as the case may be, indicating both the amount or amounts due at the time and cumulatively. In relation to the output and outcome related payments, DFID will make payment proportionally to the level of results achieved, capped at the total payment value.

Payments pursuant to clause 19.1 are subject to the satisfaction of the Project Officer in relation to the performance of the Supplier of its obligations under the Contract and to verification by the Project Officer that all prior payments made to the Supplier under this Contract were properly due.

4. DFID Officials

4.1 The Project Officer is:

Senior Programme Officer, DFID Ghana

4.2 The Contract Officer is:

Procurement & Commercial Manager, Procurement & Commercial Department, DFID, Abercrombie House, East Kilbride.

6. Reports

6.1 The Supplier shall submit project reports in accordance with the Terms of Reference/Scope of Work at Annex A.

7. Duty of Care

All Supplier Personnel (as defined in Section 2 of the Agreement) engaged under this Call-down Contract will come under the duty of care of the Supplier:

- I. The Supplier will be responsible for all security arrangements and Her Majesty's Government accepts no responsibility for the health, safety and security of individuals or property whilst travelling.
- II. The Supplier will be responsible for taking out insurance in respect of death or personal injury, damage to or loss of property, and will indemnify and keep indemnified DFID in respect of:
 - II.1. Any loss, damage or claim, howsoever arising out of, or relating to negligence by the Supplier, the Supplier's Personnel, or by any person employed or otherwise engaged by the Supplier, in connection with the performance of the Call-down Contract;
 - II.2. Any claim, howsoever arising, by the Supplier's Personnel or any person employed or otherwise engaged by the Supplier, in connection with their performance under this Call-down Contract.
- III. The Supplier will ensure that such insurance arrangements as are made in respect of the Supplier's Personnel, or any person employed or otherwise engaged by the Supplier are reasonable and prudent in all circumstances, including in respect of death, injury or disablement, and emergency medical expenses.

- IV. The costs of any insurance specifically taken out by the Supplier to support the performance of this Call-down Contract in relation to Duty of Care may be included as part of the management costs of the project, and must be separately identified in all financial reporting relating to the project.
- V. Where DFID is providing any specific security arrangements for Suppliers in relation to the Call-down Contract, these will be detailed in the Terms of Reference.

8. Additional Contract Conditions

- 8.1 The contribution from the Donor(s) will be based on their individual currencies when contributions are made to the joint donor account and will therefore be subject to exchange variations.
- 8.2 The Supplier shall be responsible for all grants under the project and will give DFID access to all necessary documents as required for audit purposes.
- 8.3 Review and agreement on management cost ratios for the Implementation Phase will be deferred until the Inception period.
- 8.4 Milestones will be reviewed and agreed during the early part of the Inception phase and will form part of any subsequent Contract Amendment facilitating the transition to Implementation.
- 8.5 DFID shall not be entitled to reclaim or recover (or to set off against any funds due to Christian Aid) any sums in relation to Programme Grants which are misapplied by grant recipients provided that Christian Aid can demonstrate that they have not been negligent, and that it has taken reasonable steps to prevent fraud and misapplication of funds and to monitor use of funds in respect of such Programme Grants.
- 8.6 The Supplier must effect and maintain insurance levels as per clause 38 of Section 2, unless specifically stated below:
 - Professional Indemnity Insurance to a value of £5million.
- 8.7 Notwithstanding anything in Annex A or this Call-down Contract, the Supplier shall not be required to take, or refrain from taking, any action at the direction or recommendation of the Steering Committee if such action, or inaction, would cause the Supplier to be in breach of any law or this Call-down Contract.
- 8.8 If, as a result of any action, or inaction, of the Steering Committee, the Supplier is in breach of this Call-down Contract, the Supplier shall not be liable for such breach. This shall only apply if the Supplier has taken reasonable steps to inform DFID as soon as possible about such breach and the causes of it.
- 8.9 Where any action, or inaction, of the Steering Committee leads to a delay in the provision of Services by the Supplier, and the applicable payment mechanism for such Services is "Milestone Payment", DFID will make payment to the Supplier as if such delay had not occurred.
- 8.10 DFID will conduct spot checks including expenditure verification of all grant related expenditure at all levels of the Programme.
- 8.11 DFID, in consultation with Christian Aid and the Steering Committee, will appoint an independent auditor to conduct audits on specific aspects (e.g. financial, procurement, VfM) of the operation of the Programme.
- 8.12 The Supplier will be required to facilitate access of STAR II donors to Grant partners as and when required for the purposes of Monitoring Visits and such other purposes as deemed

necessary and appropriate. Reasonable notice of such requests for access will be given to the Supplier as and when required.

9. Sub-Contractors

The Supplier has DFID's consent to appoint the following sub-contractors:

- Social Development Direct
- Overseas Development Institute
- Mango
- On Our Radar
- Nkum Associates

10. Call-down Contract Signature

- 10.1 If the original Form of Call-down Contract is not returned to the Contract Officer (as identified at clause 4 above) duly completed, signed and dated on behalf of the Supplier within 15 working days of the date of signature on behalf of DFID, DFID will be entitled, at its sole discretion, to declare this Call-down Contract void.

For and on behalf of
The Secretary of State for
International Development

Name:

Position: Senior Procurement and Commercial
Manager

Signature:

Date: 16 October 2015

For and on behalf of
Christian Aid

Name:

Position:

Signature:

Date:

Revised Terms of Reference for Service Provision
Ghana's Strengthening Transparency, Accountability and Responsiveness, Phase 2 (STAR2)

Introduction

1. DFID wish to appoint a Service Provider (SP) to help STAR transform to a fully Ghanaian led and managed legal entity supporting and driving active citizenry. The budget for STAR2 is presently £22 million¹.
2. The design of STAR2 was led by the STAR Steering Committee (SC), in close consultation with DFID, other donors, STAR Ghana grant partners, independent governance institutions and other stakeholders such as Parliament, CSOs who were not STAR-Ghana grantees and senior government officials. The final programme is a result of more than 10 months of preparations, consultations, validation and finalisation. The Steering Committee will play a key role during transition, start-up and throughout STAR2.
3. The STAR2 contract will run for five years from October 2015 – September 2020. STAR is envisaged to continue beyond the duration of the DFID programme as a permanent body. The focus of the SP is to enable STAR to transition from a project to a body corporate - a strategic organisation in support of active citizenry in Ghana. As such the role of the SP will evolve during the course of the contract from providing staff, fund management and legal options during years 1 and 2, then transitioning during year 3 to an advisory and quality assurance role for the subsequent years 4 and 5 of the contract. The SP's transition strategy must address sustainability and include an exit strategy.
4. The overall **goal** of STAR2 is around active citizenry. Previous governance programmes, including STAR-Ghana, have achieved good results. However, there is a need to increase the focus on strategic and systemic level impact. STAR2 therefore has a dual focus - catalysing the efforts of citizens towards systemic change on specific issues and, crucially, working towards the creation of a Ghanaian-run, body corporate entity to sustain support for these efforts beyond the life cycle of STAR2.
5. The **outcomes** of STAR2 are around driving and supporting increased effectiveness of citizen engagement, with specific outcomes on citizens' capability, use of transformative spaces and creation of a robust body corporate entity which can drive active citizenry beyond the expiry of the programme.

Objective

6. The aim of the contract is to provide technical, legal and financial management advisory support for STAR to deliver its active citizenry and grant making objectives and to enable STAR to transition from a well performing project to a body corporate entity driving and supporting active citizens in Ghana.

Recipient

7. The recipient of the services is Ghanaian Civil Society.

Scope of Work

8. The SP will be responsible for working with the SC to complete transition of STAR into a body-corporate Ghanaian-led organisation which is able to constructively engage in governance in Ghana and to effectively attract and manage donor support and other funding within 3 years.
9. The SP will build on existing and on-going experience from STAR1 and the preparatory phases of STAR2.
10. Provide the function of programme management team (PMT) including quality assurance and strategic management support and reporting. This will include managing donor funds, managing grant funds in years 1-3 and subsequently advising on the selection of the grant fund manager after year 3.
11. Against this background and under the overall direction of the STAR Steering Committee, the main tasks for the SP are –:
 - To setup a body corporate for STAR2;
 - To provide a local management team: to be handed over to the body corporate once in place and subsequently to provide hands-on advice on systems and organisational development;
 - Financial management: set up sound financial management systems and provide fund management for grants (including due diligence), identifying and providing options for future grant management.

Programme Outputs

12. The SP is required to deliver the STAR2 programme output targets as outlined below and as reflected in the programme

¹ USAID is at this stage a likely, but not confirmed contributor so their contribution is not included in the figure. The SP will be responsible for supporting STAR II to attract additional funds during the course of the programme.

logical framework:

13. **Output 1 - STAR2 providing effective convener, catalyst and coordinator (CCC) role.** STAR2 will develop and provide analysis to drive active citizenry. This will primarily be through a supportive, convening role or by catalysing interventions, but where needed also as a pro-active player through social accountability and influencing techniques, to develop the effectiveness of dialogue and improve strategies for reaching and involving women and excluded groups. The approach will build on the experience of STAR1 and other programmes in Ghana and will use different delivery modalities in response to different needs and types of CSOs. The SP is expected to draw on local expertise as much as possible.
14. **Output 2 - Effective strategic partnerships in place with policy level organisations and Parliament.** Output 2 will focus on supporting and identifying strategic partnerships with a small number of national organisations with the desire and ability to influence national reform agendas and the ability to support smaller or local organisations and movements to channel and synthesize local issues to the national level. Establishing stronger linkages between national level policy debates and local practice will be a focus area, including the promotion of stronger working relationships between national and local CSOs, and between CSOs and state actors. Parliament – as the ultimate representative of citizens - will continue and deepen as a partner. The focus will be on effective ways to improve parliamentary effectiveness, responsiveness and accountability as well as improve ways to engage with citizens. This work is envisaged to take place through strengthening the leadership and the committees through technical and analytical support.
15. **Output 3 - STAR2 grant component effectively managed, helping grant partners to link citizens and local issues to policy level.** This output builds on the systems developed during STAR1 to refine grant approaches, with focus on more prioritised, result-oriented and realistic intervention logics. Equally, there will be a strengthened focus on linking local initiatives with national debates and issues.
16. **Output 4 - Ghanaian owned, strategic and fundable organisation established.** Output 4 aims to transition STAR to a body corporate within the first half of the programme.

Methodology

17. Core to the methodology is a focus on driving an active citizenry and enabling the Ghana team (PMT and SC) to take charge and to transition to a Ghanaian run and owned entity. It must take departure from a sound understanding of the political economy, trends and drivers in Ghana as well as within the Ghanaian civil society.

Key Output and Deliverables for the Inception Phase

18. The SP will be required to complete a **six months' inception phase** for the programme during which time the following tasks will be completed under the overall direction of the SC. The SP is expected to provide appropriate time lines for the delivery of these tasks.
 - i. The selected SP is expected to mobilise to site in Ghana by 1 October, 2015;
 - ii. Establish a fully operational office including full recruitment and procurement;
 - iii. Identify transition issues and prepare options for handling;
 - iv. Review and refine relevant manuals and procedures from STAR1 for grant applications and approval - to include the various funds, oversight and quality assurance, accounting and procurement plus determining the financial ceilings for delegated grant approvals by PMT;
 - v. Develop robust fund manager processes with justifications for proportion allocations and mechanisms to enable flexibility;
 - vi. Develop and begin implementation of a communications strategy, a resourcing framework and outreach plan;
 - vii. Prepare the gender equality and women's empowerment strategy;
 - viii. Prepare an outline youth engagement strategy;
 - ix. Prepare/refine a strategy for knowledge management and performance monitoring;
 - x. Finalise the design of the M&E system, and ensure the M&E system and draft M&E manual is gender responsive and can also disaggregate by age;
 - xi. Collect baseline data and revise/populate the programme log-frame - review proposed outputs, indicators and assumptions and propose modifications, agree these with SC, DFID/others (FC), populate/collect data for baselines (using data sources agreed with SC/FC);
 - xii. Finalise the activity log, and identify measurable targets for the agreed outputs;
 - xiii. Update the risk assessment and mitigation strategy;
 - xiv. Develop a Value for Money (VfM) strategy with clear measureable indicators to enable VfM to be effectively assessed during the course of the programme;
 - xv. Scope and make preliminary recommendations for off-log-frame work aimed at estimating the value (for money) of demand side accountability work;
 - xvi. Review existing best practice in CSO capacity development and identify initial service providers for capacity development;
 - xvii. Identify with the SC potential core national partners and possible roles and focus areas as well as links to other partners;
 - xviii. Advise the SC and the FC on the topics for the Thematic Funding Window, criteria and process for CSO grant selection, the financial ceiling for delegated grant approvals by the Programme Management Team (PMT) and the initial allocation

April 2014

- of funding to the grant windows and any other information deemed necessary;
- xix. Develop a detailed first year CSO capacity building work plan and budget for SC approval;
- xx. Select the initial priority themes and undertake any necessary supportive analytical work, based on existing STAR analysis;
- xxi. Launch at least one call for Proposals;
- xxii. Disburse the first grants;
- xxiii. Revisit and clarify programme management arrangements and technical inputs to ensure optimum effectiveness and value for money;
- xxiv. Develop a detailed Year 1 work plan (with defined, measurable outputs) and a two year and five year indicative work plan with detailed costs for delivery;
- xxv. Suggest KPIs and milestones for the implementation phase;
- xxvi. Submit an inception report by the end of the inception phase.

Programme Management Arrangements

- 19. The programme is a multi-donor pooled fund managed by DFID Ghana and the STAR SC. Co-funders will include the European Commission and DANIDA and likely USAID from 2016.
- 20. New funding from existing or new partners may come on stream - and into the pool - during implementation. Such funding could be substantial. SPs will need to provide very clear indications that they are aware of this and are working to enable STAR2 to attract such additional funding and respond to such a scale up.
- 21. The programme will be managed by a SC which will be advised by a Grants Sub-Committee and a Funders' Committee. The SC and the Grants Sub-Committee will be provided with technical and administrative support from the SP's Programme Management Team.
- 22. The main role of the SC is the overall management and strategic direction of STAR2. Once the legal entity is in place, the SC will transition to become the formal, legal leader of STAR2.
- 23. The role of the Grant Sub-Committee is to select grant partners for recommendation to the SC for approval following competitive and managed calls.
- 24. The main functions of the Funders' Committee include:
 - to monitor progress at Output and Outcome levels;
 - to ensure that the operation of the pooled fund remains in line with the Memorandum of Understanding signed by the co-funders and agreed operating procedures as described in PMT manuals; and
 - to advise the SC on issues of significance to the co-funding donors during the implementation of the STAR2 programme.
- 25. The SP will provide a Programme Management Team led by a team leader with the required skills and competence to deliver the programme. The PMT will be based in Accra.

Project Timing

- 26. The assignment will be divided into two phases:
 - an inception phase of six months (ending in March 2016) which will be used to develop and agree programme direction and the resources required to deliver the programme as well as to establish operations, followed by
 - Phase 2, full implementation, lasting for 4 and a half years (ending in September 2020).
- 27. There will be break points at the end of inception phase; at the end of year 3 of implementation where the SP is expected to have supported the SC to establish a body corporate; and the end of the programme in September 2020. These may signal a restructuring of the timeframe or the scale or scope of work in a particular area.

Reporting

- 28. At the end of the inception phase the SP will prepare an inception report (in a format agreed with DFID and the SC) and a final revised log frame. The report will set out the results and findings of all inception activities as well as incorporate the proposed priorities and work plans into a one year, two year and five year work plan, including programme budgets; management budgets; and any commentary required on specific issues. If necessary, the Terms of Reference should be updated/revised in the light of inception phase analysis and planning.
- 29. In addition to the inception report, the following reports will be prepared and copied to DFID for comments:
 - Annual work plans, procurement plans and budgets - these will be approved by the Steering Committee and submitted to DFID;
 - Monthly progress reports briefly updating on progress against the work plan to DFID, via the Steering Committee, in an agreed format;
 - Quarterly progress reports against the delivery of the KPIs to DFID, via the Steering Committee, in an agreed format;
 - Annual reports will include additional sections: (a) lessons learned, (b) a detailed M&E report and (c) an update of the risk analysis together with any recommendations to modify the risk mitigation strategy;
 - External audit report on the annual financial statements; and
 - Mandatory financial reports, including quarterly comparison of budget against expenditure, disbursement to GPs against actual expenditure reported by GPs etc These financial reports will present data by both outputs and by type of expenditures (such as grants, training, workshops, consultancies etc.). The detailed requirements will be agreed with the SC and DFID during the inception phase.

30. In addition, the SP will be required to support the SC and the STAR2 team to document and disseminate results and lessons learned (through a variety of media), acting as a conduit of information and best practice between partners and key stakeholders.
31. DFID, in consultation with the Supplier, the Steering Committee and Funders' Committee, will undertake:
- An inception review within 6 months of award of contract;
 - Annual reviews thereafter;
 - A full mid-term review;
 - A final review at least 3 months before the end of the project; and
 - Other specific reviews as may be necessary.

DFID Coordination

32. The SP will report to the chair of the SC and the lead adviser in DFID, presently the Senior Governance Adviser.

Budget and Performance Requirements

33. The programme (phases one and two) is valued at £22m. DFID's assured contribution is £14.5 million. The remaining £7.5m is committed by DANIDA and the EU. This ceiling would include all activities (grants, management, monitoring and evaluation and funds to be transferred to the body corporate that will be established from year 4) under the programme.
34. The SP must be aware that the contribution from the donors will be based on their individual currencies into the joint donor account and may therefore be subject to exchange variations.
35. Payments under this contract shall be partly made on a 'Milestone Payment Basis' and partly on the basis of actual fees and expenses incurred as described in more detail in Proforma 4 Section 5.
36. The SP will also be required to demonstrate clear value for money at each stage of the implementation process. This will include demonstrating that administrative and security costs are efficient; that management processes are designed to maximise cost effectiveness; and that funds can be allocated based on evidence of results to ensure the greatest possible impact is achieved. A clear process and indicators for measuring value for money should be included within the monitoring framework.
37. DFID also intends to introduce Key Performance Indicators (KPIs) with a view to managing the SP's performance throughout the life of this contract. These will measure aspects such as service provision and programme delivery. Draft KPI's for the Inception phase are shown in the table below. During the inception phase the SP will propose KPIs to measure performance during the implementation phase off the programme.

Key Performance Indicators

DFID Key Performance Criteria	Sub Criteria	Rating (Strength, Weakness or No Indication)	Comment
	How do you rate performance against:	1 to 6 (see criteria below)	
Quality & Delivery	Quality and timeliness of milestones/deliverables		
	Quality of monitoring, evaluation, learning and reporting		
	Response to strategic opportunities and risks		
	Project impact/outputs / key results on track according to programme logframe		
Management, Strategy & Financial	Monthly and quarterly reports submitted to agreed deadlines, formats and quality.		
	Grants are disbursed within agreed deadlines		
	Ability to deliver in line with agreed budget		
Personnel	Performance of team leader		
	Performance of other team personnel		
	Performance of country based teams		
	Timeliness in replacing personnel with appropriate level of approval from DFID		
	Managing underperformance		
Customer Relationship	Risk Management		
	Responsiveness to stakeholders		
	Impact of outreach and external communications		
	Regular communication with DFID and delivery of weekly meeting action points		
	Development of new delivery partners		
	Attention to DFID policies		
Innovation and Continuous Improvement	Provider has sought to improve on the last reporting periods performance		
	Provider has delivered new ideas which have benefited the programme		
Corporate Social Responsibility	Activities have resulted in a positive affect on sustainable/environmental considerations		
	Supply Chain: the amount of local contractors used within the supply chain to deliver the programme		
	Employment: Apprenticeships, local oppourtunites		
Overall Performance in terms of Value for Money			

Rating	Definition
6	Responsibilities delivered with a high level of efficiency and effectiveness. Supplier proactive in taking steps to achieve outcomes according to contracted responsibilities
5	Responsibilities delivered efficiently and effectively
4	Minor effort required to improve delivery of one or more contracted responsibilities
3	Effort needed to deliver contracted responsibilities
2	Major effort needed to deliver responsibilities. Significant effort required from DFID where provider is not delivering
1	Serious under performance. Not meeting most contract deliverables

Contractual Issues

38. The contract will be issued for the full period, with a review point and break clauses incorporated to coincide with the end of the inception phase. At this stage, DFID will review the SP's performance and the final design of the implementation phase.
39. Continuation of the contract beyond the inception phase will be subject to acceptance by DFID of the deliverables, satisfactory performance of the SP and agreement to the SP's proposed costs for the implementation phase. The implementation phase is expected to begin immediately thereafter. The SP will be tasked with ensuring there is continuity from the completion of the inception phase through to implementation, noting that the SP will not have full control over the decision-making process.
40. In the event that DFID decides not to proceed with the implementation phase, the contract will be terminated at no cost to DFID, other than all legitimate costs incurred as detailed in the inception budget. In the event that DFID decides to proceed to the full four and half year implementation, a contract amendment will be issued to include details of the services to be provided in the form of updated Terms of Reference, updated implementation costing² and provision for a mid-term review to be undertaken at the end of the third year of implementation.
41. At the end year 5 of the implementation phase (covering both inception and full implementation) DFID may consider an extension of up to 12 months subject to the need of the programme.

² Costs for the implementation phase will be considered indicative until confirmed following the inception phase.

42. The contract will be managed by the Deputy Programme Manager in the Good Governance Team in DFID Ghana with technical oversight from the Senior Governance Adviser.

Duty of Care (DoC)

43. The supplier is responsible for the safety and well-being of their personnel (as defined in section 2 of the Framework Agreement) and third parties affected by their activities under this Call-down Contract, including appropriate security arrangements. They will also be responsible for the provision of suitable security arrangements for their domestic and business property.
44. The supplier is responsible for ensuring appropriate safety and security briefings for all their personnel working under the Call-down Contract and ensuring that their personnel register and receive briefing as outlined above. Travel advice is also available on the FCO website and the supplier must ensure they (and their personnel) are up to date with the latest position.