



| | |
|-----------------------------|--------------------------------------------------------|
| Policy Number | SAID 13.02.06 |
| Policy Name | Development and Welfare |
| Chapter | Management Systems |
| Release No. | 4 (this replaces all previous releases of this policy) |
| Release Date | July 2016 |
| Date For Next Review | January 2019 |

02.06.01 Policy

The Salvation Army is a Christian organisation who seeks to meet human needs in the international community, through development and non-development programs, which includes welfare activities. The Salvation Army International Development Office (SAID) has committed to ensuring accurate representation of our international development and non-development (welfare) programs to beneficiaries, partner organisations, donors and the public. Funds designated for the purpose of international aid and development activities will only be used for those purposes and will not be used for any programs identified as welfare, including assistance that maintains individuals in a particular condition on a long-term basis.

This policy is to be read in conjunction with SAID's 'Fraud, Bribery & Corruption' Policy 13.01.02, 'Tax Deductibility' Policy 13.01.04, and 'Verification of Information' Policy 13.02.21.

Scope:

This policy and associated procedures apply to all employees, Salvation Army (TSA) Officers, volunteers, organisations and persons engaged or involved, either directly or indirectly, in SAID programs, including partners and the SAID Executive Board.

02.06.02 Rationale

The Salvation Army's motivation is derived from the Biblical principles of love for Jesus Christ and love and compassion for our 'neighbour'. SAID takes a holistic approach to development. We see transformation as a continuing process of positive change in the physical, economic, social, emotional and spiritual aspects of a person.

SAID's role within The Salvation Army Australia Eastern Territory is to oversee international projects. This includes community development and non-development projects recognised as welfare. However, a



clear distinction is made in the management and promotion of development projects and non-development welfare projects, which is an area we strive to continually improve in.

02.06.03 Procedure

Definitions

Aid and development: Aid and development refers to activities undertaken in order to reduce poverty and address global justice issues. In the non-government organisation sector, this may occur through a range of engagements that includes community projects, emergency management, community education, advocacy, volunteer sending, provision of technical and professional services and resources, environmental protection and restoration, and promotion and protection of human rights.

Department of Foreign Affairs & Trade (DFAT): The Australian Government Department responsible for International Development facilitation.

Relief: The provision of basic support to people in emergency situations – for example, natural phenomena such as earthquakes, or chronic disasters such as famine or conflict. In these emergency situations, direct assistance (such as distribution of clothing, food, seeds and tools, temporary housing) may be provided as part of a short term relief response. Relief measures are usually temporary and are directed at providing life-sustaining assistance or short-term recovery assistance aimed at putting people ‘back on their feet’. Relief is provided to groups of people, such as communities, directly affected by a disaster.

Staff: This includes all paid employees, volunteers and TSA Officers.

Welfare: Assistance to maintain individuals in a particular condition on a long-term basis, such as institutionalised care programs provided by orphanages, child sponsorship (that is, funds given directly to children or their families, and not funds drawn from child sponsorship and used for development purposes), hospital care programs, hospices, and costs for the maintenance of structures for institutionalised care programs for example, schools or orphanages.

Difference between welfare and development

The following table sets out the key differences between welfare and development.

| Non-Development (Welfare) | Development |
|----------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------|
| Direct assistance provided to meet immediate needs of individuals | Improvement by meeting long term needs of community |
| Selected individuals from the community benefit | No discrimination with fair distribution of benefits in community |
| Work is done for/to individuals or on behalf of community. Focus is on what ‘we’ can do for individuals/community with limited participation | Work with community to empower them. Focus is on what communities can do for themselves, with their participation shaping what the |



| | |
|------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| by them on what the program will be. | program will achieve. |
| Addresses Immediate need or symptoms of poverty addressed by giving material resources | Actual need addressed when community gains knowledge, skills, abilities and/or access to information for the purposes of solving problems or increasing self-sufficiency (capacity building) |
| Creates dependency as ongoing assistance required after program stops for benefits to continue | Creates self-sufficiency as benefits are sustainable after program stops |

The Salvation Army runs many social, health and education institutions worldwide, including children’s homes, schools, vocational training programs, aged care facilities and health services. The focus of SAID is on community based programs but recognise that there are programs involving Salvation Army Institutions that are also identified as Development.

The following criteria will be used to assess programs that involve Salvation Army Institutions as to whether it is a primarily development or non-development (welfare) program:

| Non- Development (Welfare) Program involving Salvation Army institutions | Development Program involving Salvation Army institutions |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Project only funds: <ul style="list-style-type: none"> • Running costs of the institution • Textbooks, uniforms or school fees for individual children • Vehicle for the institution • Children’s feeding program • Building construction or maintenance | Project includes: <ul style="list-style-type: none"> • Involvement and partnership with the local community • Connected to other sustainable community development activities • Seeks to build local capacity to meet local needs and ongoing maintenance • Assists the institution towards self-sustainability or is connected to emergency needs • Has an exit-strategy |

Procedural Guidelines

1. Project Design and Implementation

1.1 Purpose: The purpose of this Section is to provide clear guidelines regarding the measures that will be taken to ensure development activities do not include Welfare components.

1.2 SAID Project Staff will work with their Implementing Territory partners to ensure a clear understanding of the difference between development and non-development (Welfare) activities.



- 1.2.01 Where it seems the Implementing Territory partner has misunderstood the difference between development and non-development (Welfare) activities, the SAID Project Staff will undertake capacity building initiatives to correct any misunderstandings. This may be conducted through email, over the phone/skype or while in-country on a Monitoring Visit.
- 1.2.02 Ongoing dialogue between the SAID Project staff and the partner will reiterate the distinction between development and non-development (Welfare) activities and the need for separate projects for these activities.

- 1.3 All Concept Notes for development activities will be reviewed by the SAID Project Staff to ensure they do not include non-development (Welfare) components.
- 1.3.01 SAID Project Staff will work with the Implementing Territory partner in the design and creation of the Project Proposal to ensure any non-development components have been removed.

- 1.4 SAID Project Staff will complete the Project Appraisal Document to ensure non-development (Welfare) components have not been included in the development project.
- 1.4.01 Where the Project Appraisal Document identifies that non-development (Welfare) components have been included, the Project will not be approved. The SAID Project Staff will work with the Implementing Territory partner to correct the issue prior to submission to the SAID Executive Board for Approval.

- 1.5 All Memorandum of Understandings (MoU) SAID enters into with an Implementing Territory partner for development activities, will require that the partner agree that funds designated for aid and development purposes will not fund any non-development (Welfare) activity.

2. Project Monitoring and Evaluation

- 2.1 Purpose: The purpose of this Section is to provide clear guidelines regarding the measures that will be taken to monitor and evaluate development activities to ensure they do not include non-development (Welfare) components.

- 2.2 While on in-country Monitoring Visits, the SAID Project Staff will review the partner's adherence to the MoU and the requirements of this Policy through the completion of the Partner Capacity Assessment and the Monitoring Report.

- 2.3 Partner compliance with this Policy will also be assessed through Project Reports and email/correspondence between the SAID Project Staff and partner.

- 2.4 Where it is suggested that the requirements of this Policy have not been followed, as identified through cl.2.2 and 2.3, the MoU will allow for future funding for the project to be suspended until the outcome of an investigation by SAID.
- 2.4.01 Where the investigation confirms that this Policy has not been followed, all future funding for the Project will be suspended until the concern/issue is corrected. It is at the SAID Executive Board's discretion whether they instead choose to terminate the MoU for the Project.

- 2.5 The Project Evaluation will be utilised to ensure there were no non-development (Welfare) components to the project. This may be fulfilled through a review of the participant numbers,



interviews with participants, the participation of Community Groups in the Design and Planning stage, or participant stories.

3. Media and Promotions

- 3.1 Purpose: The purpose of this Section is to provide clear guidelines regarding the measures that will be taken to ensure media and fundraising material clearly differentiate between development and non-development (Welfare) activities.
- 3.2 Fundraising materials will be reviewed by the SAID Director (as outlined in the SAID Verification of Information Policy 13.02.21) prior to publication to ensure that solicitations make a clear distinction between development and non-development (Welfare) projects. This includes identifying that donations towards development activities will be tax deductible and donations towards non-development (Welfare) activities are non-tax deductible.
- 3.3 Where fundraising solicitations include references to both development and non-development (welfare) activities, the SAID Director will ensure that donors are provided with the choice of where to contribute funds to.
- 3.4 All receipts issued by SAID to donors will clearly indicate the tax status of donations.
- 3.5 The SAID Accountant will ensure that funds received for development and non-development (Welfare) activities are accounted for separately.
- 3.6 Publications, including donor updates, news articles and reports related to international projects will be reviewed by the SAID Director (as outlined in the SAID Verification of Information Policy 13.02.21) prior to publication to ensure differentiation of reporting for development and non-development (welfare) activities.
- 3.7 The SAID Director will ensure all SAID electronic media content is reviewed on a regular basis (as outlined in the SAID Verification of Information Policy 13.02.21) to ensure that this policy is complied with.