

AESA platform review

AAS, Nairobi, 17th – 19th November 2015

Executive summary

Is AESA being set up appropriately?

- Good progress has been made setting up AESA as a function in AAS
- The vision for AESA is clear and is understood by staff at all levels
- Recruitment to AESA has been strong
- Organisational infrastructure at AAS is sound
- The set-up of AESA cannot yet be considered complete (e.g. organisational policies not finalised)
- There should be consideration of management structure and governance arrangements for AESA once fully operational

Is AESA appropriately resourced?

- AESA size, staffing and structure appeared appropriate to current anticipated need
- Recruitment has been timely and has resulted in a competent, capable staff group
- Office space is sensible for function and reasonably equipped
- Future business models and approach to achieving independent sustainability are not yet fully thought through

Lessons learned from 1st year

- It will be important to balance maturing capability of organisation with opportunities to develop
- Effective planning and project management is crucial across a range of activities
- NEPAD have been important in exercising political influence
- It is important to be pro-active in interactions with funders
- Solid IT infrastructure is essential to effective working

Grants Management - Gates Grand Challenges

- The Gates Programme Manager is a capable individual, who is aware of issues with respect to managing Grand Challenges Africa calls and is already working closely with BMGF
- There is a good understanding of generic grants management issues (peer review, committee management, conflicts of interest etc.)
- There was considerable confidence that there were no barriers with respect their ability to manage the Gates Grand challenges programme
- AESA grants policies have been drafted, these should be ratified by the Funders and formally adopted by AAS
- GM training was pending at review point
- An effective, operational Grants IT system will be crucial to successful grant management

Grants Management – DELTAs

- Programme staff are capable individuals, aware of issues and are working with Trust staff
- There are good working relationships between Grants & Finance teams at the Trust and AESA
- There is a good understanding of generic grants management issues
- AESA staff have experienced key grant-making processes (at early stages of grant process)
- Funders' expectations for ongoing management have not yet been fully articulated
- Processes for handling grant management scenarios (e.g. supplements) are not articulated
- Grant system and interface to Finance system not in place yet
- June 2016 recommended as handover target, but detailed handover process needs to be agreed

Grants Management - Monitoring and Evaluation set up

- M&E approach considered to be appropriate to current anticipated needs and capabilities of AESA
- Model has been developed with input from the existing DELTA grant-holders
- There will be a need to prioritise site visits, and to provide some regional training
- AESA encouraged to seek advice and support from DFID to develop M&E approach further

Financial performance

- Financial personnel, processes and reporting used by AAS/AESA are considered sound
- Financial reports were accurate and appropriate for decision-making; however these currently required significant manual intervention to produce
- Successful implementation of new Finance system will be crucial to addressing this issue
- Identification and presentation of core and direct costs in budget could have been clearer
- Segregation of duty for financial control was evidenced; however as programmes grow this should be reviewed to ensure it remains appropriate
- AESA should develop their own risk framework for the financial management of grants

Recommendations for key milestones

- Operational
 - Finalisation of organisational policies, seek ratification from AAS
 - Agree governance arrangements with Funders
 - Implement Finance system
 - Agreement of funding model and ongoing financial reporting with Funders
- Grants
 - Finalisation of grants policies, seek ratification from Funders
 - Design and implement Grants (Ishango) system
 - Ensure Funders' expectations with respect to managing their awards are articulated, understood and processes in place to deliver against these
 - Agree detailed handover process for DELTAs, including final timeline and ongoing management arrangements

Key risks – AESA

- Failure to articulate and communicate strategy and purpose to key stakeholders
- Inability to achieve objectives across entire continent (e.g. language barriers)
- Sustainability becomes an issue (e.g. ongoing dependency on original funders for core support)
- Not achieving correct balance in early years between undertaking new 'business' opportunities with initial focus on developing organisational capability
- Organisation (culture, structure and/or staff) does not effectively support regular business activity (e.g. flexible working arrangements to support work with global partners)
- Lack of focus on internal project management means dates for key activities slip

Key risks – Funders

- Not getting the balance right between desire for assurance in cultural setting, with trust to allow AESA to take and develop responsibility
- Lack of clarity in funders expectations with respect to AESA managing their awards
- AESA fails to deliver overall desired organisational objectives

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A. Background

The Alliance for Accelerating Excellence in Science in Africa (AESA) aims to provide a strategic platform to accelerate the development of African science, develop research leadership and promote scientific excellence and innovation to overcome some of Africa's developmental challenges including the shortage of researchers to deal with its disease burden. The platform is embedded within the African Academy of Sciences (AAS), a pan-African organisation established in 1985 with the aim of championing science-led development in Africa.

Initial funding was allocated in 2015, to set up and establish the AESA platform, composed of commitments from the Wellcome Trust (£1.1m for 2 years), the Department for International Development (DFID) (£1m for 2 years) and the Bill and Melinda Gates Foundation (BMGF) (\$2m across 5 years).

The expectation is that AESA will take on sole management of the awards made under the WT/DFID DELTAs initiative in 2016. AESA will also develop the capability and capacity to run funding calls and manage grants for other funders, to include the Gates Grand Challenges Africa, as well as organise and run other grant-related activities to enhance the research landscape in Africa. The platform will also include a 'Think Tank' function which will seek to promote and input into evidence based policy making.

The Funders Review of AESA took place over 3 days at the AAS offices in Karen, Nairobi. This report summarises the findings of the review team – the membership of the review team, and details of the review criteria and approach adopted can be found in the Appendices. The review is intended to provide assurance to the Funders that appropriate progress has been made in setting up AESA and to support the Funders Group's decision on handover of operations to the AESA platform and potential timing of this. It aims to provide this Group with an overview of the current set up of the organisation, an assessment of capability, identify areas of risk and flag potential changes that would be in the best interest of both AESA and the Funders.

B. Summary of key findings

AESA has made good progress setting up as a function in AAS (AESAs development will be inextricably linked to AAS's overall trajectory). Recruitment has been strong and organisational infrastructure is sound. Organisation size and structure seems appropriate to anticipated need, including provision of effective and efficient grant management. The vision of the organisation is clear and well understood by staff. Progress in terms of political mandate has been good, through a mutually beneficial relationship with NEPAD.

AESA is, as expected, not yet ready for handover of DELTAs - training is not complete and key IT systems are not in place. The Trust and AESA should work together to ensure detailed timelines and milestones are articulated, and that there is clarity on both sides as to how handover will occur. Given the current position regarding the finance and grants systems, it is not considered feasible to handover these awards as originally scheduled in March 2016. A date of June 2016 is proposed as a reasonable target. Opportunities may exist for early handover of certain functions and the Funders should consider options for phased handover between now and summer 2016.

In addition thought should be given to the transition from AESA set up to operation, in terms of staff roles, management, culture and governance. There are a range of tasks that need to be completed ahead of full operational independence some of which are outlined in section C below. These should be prioritised and planned out across the next few months. Realistic deadlines need to be set and there should be management attention to ensure these are adhered to.

Organisational

1. Significant progress has been made in setting up AESA as an integrated part of AAS
2. Vision and strategy for AESA is clear and well understood throughout the organisation
3. AESA management and staff are conscious of the need to balance maturing capability of organisation with not missing unique partnership opportunities
4. Management structures and governance arrangements are suitable for the set up phase
5. There is significant work remaining ahead of set up of AESA being considered complete. A detailed plan should be developed to tackle these in priority order with strict, but realistic, deadlines.
6. Thought needs to be given to what may constitute appropriate management structure and governance arrangements once fully operational
7. Future business models and independent sustainability are not fully thought through yet, but management are aware of key issues around this
8. AAS role as a "think tank" is not fully developed – a Strategy and Policy Manager has been appointed to lead this activity, but has not yet taken up the role

Grants Management

9. Grants IT systems are not in place and timelines are not finalised
10. Programme staff are aware of key issues and challenges they will face in managing grants
11. M&E approach for DELTAs is appropriate for context, options to enhance M&E could be considered as organisation matures
12. Key training has not yet occurred (planned w/c 23rd November)
13. Procedures and policies are still in development, with timelines for completion unclear
14. Operational model for grants management across multiple programmes not finalised (e.g. collaboration, sharing learnings and experience, flexibility between teams)
15. Clarity on expectations for handling existing awards is required from Funders

Operations

16. Office space is appropriate for function and reasonably equipped
17. IT infrastructure has been upgraded in a sensible and appropriate fashion, and there is an appropriate strategy and roadmap for ongoing IT development in place
18. Salary structure seems appropriate to environment and has enabled the engagement of good quality candidates from across Africa.
19. Recruitment has been timely and has resulted in a competent, capable staff group
20. Staff levels seem appropriate to anticipated need, once fully operational
21. There is evidence of good HR practice (probation period, annual PDRs including objective setting)
22. Staff generally recognize and accept they may be required to contribute to AAS activity outside of defined role (with varying degrees of enthusiasm)
23. Operational policies are drafted, but timelines for completion and sign off are unclear
24. Future thoughts for maximizing utility of building space being explored (e.g. conference venue)

Finance

1. Finance & procurement policies and procedures are drafted and are appropriate to need
2. Finance IT systems are not in place, although a project charter, including timelines, is set
3. Reporting arrangements are sound, although currently require significant manual effort. The new finance system will address this and finance staff are aware they need to work with programme staff
4. Key training for handover is scheduled for 23rd November and financial management workshops are planned in 2016 for DELTAS grant-holders.
5. Clarity over the make-up of AESA core and direct programme costs within the funders reporting and future budget is required
6. As AESA programmes grow, staffing should be reviewed and thought should be given to the separation of duties across the team - between business as usual and programme-related activities

C. Detailed observations

1. Governance

Currently the following agreements exist;

- MoU - WT, DFID and BMGF (respective contributions of £1.1m, £1m, and \$2m for 5 years)
- MoU - DFID and WT (DFID contribution to the platform and the DELTAs initiative at £2.3m)
- MoU - AAS and NEPAD
- Award letter – WT to AAS covering core funding for the set-up of AESA as above

Trying to unpick the story of what has been committed for what purpose has not been simple for the review team with the paper work at our disposal. The review team operated on the assumption that the funds above have been awarded for set up and core operational costs for AESA (including additional agreed roles at AAS to bolster core functions, operational management and governance).

The Funders Group currently provides a governance function in terms of overseeing progress in setting up and developing the AESA function. **What the role will be post-handover of DELTAs is not clear.**

The International Scientific and Strategic Advisory Board (ISSAB) membership has been agreed and ToR are in place. This first meeting is scheduled for early 2016. A name change (**dropping the “Science”**) has been proposed. It is not clear who “owns” this Board and whether it is a requirement of the Funders. AESA should confirm that this group provides a useful function for them, if this is not the case there may be other approaches possible to seeking advice on strategy and direction.

The relationship with NEPAD has been confirmed as an essential one in terms of credibility and getting access to the AU. It is reported as having been extremely productive to date, with both sides getting benefits from the arrangement.

There are plans to enhance the AAS endowment (which is currently managed by a Kenyan bank and achieving returns of around 10%) through additional contributions from African nations (currently only Nigeria has contributed). This should probably be viewed as a good thing in terms of future sustainability of AAS/AESA. There remains a question around how any additional overheads received during the period where the core costs are being provided by the current funders are used – it is possible AAS would like this to bolster their endowment. The Funders should consider their position on this.

It is noted that Berhanu Abegaz plans to retire in March 2017. This should allow adequate time to find a suitable successor, however there is clearly an element of risk around such senior staff changes.

Recommended actions

- Articulate requirements of (and expected relationship with) funders once AESA is fully operational, including role of Funders group
- Consider role and membership of the ISSAB in context of value to AESA
- Clarify expectations around use of overhead funds generated on “new business” during period where core is supported by current funders

2. Management

Current management structures for AAS appear to be appropriate to manage the development of a new organisation. There may be a question, should the programme areas develop further, whether there is a need for additional management in that area to lead this activity.

The Senior Management Team (SMT) seems to work well together, but it is not completely clear if SMT meetings are regular and structured. It may be worthwhile considering the membership and role of the

SMT once operations are set up, particularly whether it was appropriate for the WT change manager and the External Advisor to continue as members of the SMT once AESA is fully operational.

Staff appear reasonably empowered, though at times decision-making felt overly collaborative. This approach will hold up decision-making now the organisation has grown.

The Change Manager role had been a key one during the set-up of AESA. It was noted that the role appeared in the proposed organisational chart for 2020. There did not seem to be a justification for that, but it was clear that this role should continue through the transition period. The review team thought supporting this post for three months post hand over of DELTAs would ensure that the Trust's obligations to support the initial set up of AESA were met.

Recommended actions

- Review the role, membership and business of the SMT. Consider the merit of a leadership team to cover strategic issues, and a separate management team to consider operational issues.
- Monitor development of activity to ensure management structures remain appropriate to need.
- Ensure the Change Manager is focused on managing the period of change, and not pulled into other activity

3. Organisational development

Staff recruitment appears to have been very successful, strong candidates have been identified and attracted from across Africa. There are (draft) policies in place to encourage and support re-location.

There is no formal staff training programme – it is probably useful to think about a generic induction programme for new starters, but it is likely different areas will need to develop training (and support material) appropriate to roles. For the programme areas this will be much more feasible after their period at the Wellcome Trust.

Currently there is no articulated plan to get AESA fully operational and to manage the transition from set up phase. There is a crucial job for the Change Manager role in the next few months, planning out the full range of activity that needs to be undertaken to ensure AESA is set up and ready to operate as an independent entity (particularly their ability to handle the DELTAs grants according to the expectations of the funders) and then making sure this all happens according to agreed timelines.

AESA staff are clearly aware of the need for care when adding new activity/business under their banner. The examples explored showed that there had been careful thought about the alignment of strategic priorities. On top of this was an awareness of the need to not rush for new opportunities whilst still developing organisation capability and maturity. This is particularly important in the context of the size and complexity of the DELTAs awards they will need to manage (c£60m).

Thought had been given to options for business models for accommodating new activity. AESA should articulate their preferred approach and agree this with the funders, particularly for the initial period when core costs are being fully met. It will be essential for AESA/AAS to develop a realistic long term sustainability model that does not require core support to be provided independently of activity support.

The Think Tank function was not clearly articulated to the review team. The first key step has been reached with the appointment of the Strategy and Policy Manager. This role will develop thinking and approach, and it was considered appropriate that this is one of the later posts to be filled. It was felt important that the post holder is fully plugged into AAS, including the activities of the COO.

The AESA launch event in September 2015 appears to have been well organised and successful. AESA made available information about the extent of media coverage gained from this event but it is not possible for the review team to assess the impact of this and the subsequent visibility.

Plans are clearly in place to try and work with stakeholders across Africa. There is a conscious desire to ensure that the reach of AESA is truly pan-African and that barriers (such as language) are overcome. The review team noted that the “sub-Saharan” Africa focus of previous Trust initiatives felt slightly at odds with this goal.

It was noted that the upcoming visit to the Trust was an opportunity to make build a network of contacts that could be approached by AESA/AAS for advice and support. All funding partners encouraged this.

Recommended actions

- The Focus of the Change Manager role needs to be solely on project managing the transition over the next few months.
- The short and longer term business models (e.g overheads) need to be articulated and agreed.
- An articulated position on approach to manage new business development would be useful.

4. Organisational infrastructure

Significant progress has been made in setting up the office and the business infrastructure to support the work of AESA. There has been a piece of work to refresh AAS organisational policies – progress has been made, although these are not yet finalised and ratified by AAS. These are being used in practice to help frame business activity but there needs to be a clear plan and timeline to finalise these.

These policies will influence organisational culture and care should be taken that they support the behaviours and culture management wish for AAS/AESA. It was also noted that AAS/AESA will operate across diverse environments and time zones, therefore flexible employment policies are likely to be needed to effectively support appropriate working practices.

HR work is largely being led by the Finance and Admin Manager. This can be a burden. It was mooted that a HR officer role would be helpful; it was difficult to assess how essential this would be when AESA was in steady state. Staff benefits are currently being reviewed (the current package seemed broad and reasonably generous) and comparisons with NGOs being made.

There had been reported problems with reliability of IT services to date, but these seem to have been addressed with the appointment of (what appears to be) a competent IT consultancy. This team has led the development of an IT strategy and the enhancement of the IT infrastructure in a way that is logical and sound and should provide robust support for the activity of AAS and AESA. The final part of ensuring a stable IT environment will be the transfer of the shared internet service to a dedicated line. This is due to be complete in January 2016. Dedicated IT support is currently provided by a contract staff member, recruitment is underway to appoint a permanent staff member to this role. AESA will work in a pan-African context and with agencies across the globe; therefore strong support for collaborative technology (video and phone conference etc.) will be essential.

There has been work undertaken to modernise the image of AAS with a new communications strategy, the website update completed and a brand manual and style guide published.

Recommended actions

- A prioritised plan for delivery of organisational policies should be put in place.
- Ensure organisational policies support desired organisational culture
- AAS need to ensure that the implementation of the IT/technology strategy supports the nature of the work that will be undertaken, including requirements for working in a broad international context.
- A back up plan for IT support should be considered (currently a potential single point of failure).

5. Grant Management capability

Programme staff appear to have a good grasp of the principles and potential issues around Grants Management. Some aspects were superficial, but this was as expected as the detailed training was to occur after the review. They had observed the Delta's committees, had participated in assessments of host organisations (including running the site visit to Mali independently) and expressed confidence in their ability to take on these roles. Programme managers seemed to be focussed primarily on their areas of activity. There may be benefits (exposure risk, shared learnings, workload smoothing etc.) in a bit of flexibility in how activity is handled.

Funding policies were drafted (but not seen by the review team at the time of review) and were in process of internal review before sign off. Deadlines had passed for this activity to be complete and there was no sense of urgency evidenced to the review team to get this work finished.

AESA staff showed good awareness of some of the potential issues around the handover of the DELTAs awards. This included the need to communicate this change to grant-holders, the need to develop AESA policies that were appropriate to African context and acceptable to Funders, how some detailed aspects of grant management might work (extensions, supplements, reporting, management of finances, approval of payments etc.). Consideration had been given to how to create a community of grant-holders, including thoughts about creating a portal and holding an all AESA grant-holder meeting.

The Funders' expectations with respect to managing the DELTA awards needs to be articulated and a detailed handover process and timeline agreed. Significant hurdles for this include the set-up of both the Finance system and the Grants Management System (GMS - Ishango) and an effective interface between the two. The scope of the introduction of the GMS is very limited in the first instance as the CCTechnology product is effectively being taken "off the shelf". However, it would be easy to underestimate the time that will be needed to get this right. The review team did not think it would be in the best interest of the Funders or AESA to rush to achieve handover in the spring of 2016. However, equally there needs to be a fixed point for this so that things don't drift. The proposal would be that the handover is targeted at June 2016, with an absolute deadline of July 2016.

It was noted that the DELTAs handover could be considered to have happened in a phased way to date, as staff at AESA took on specific responsibilities – this model could be extended across the early period of 2016 and the transfer need not be considered as a single point activity.

The monitoring and evaluation activity proposed for the DELTA awards was considered to be appropriate to the need and capabilities of an organisation of the size of AESA. It was noted it was based on a Wellcome Trust model that had been developed with input from the DELTA grant-holders.

The review team noted that there would be a need to prioritise site visits – and possibly provide regional M&E training for grant-holders. It was also noted that the funders could provide support with development of approaches to M&E; in particular it would be possible to get advice from the DFID office in Nairobi. There were three potential options for developing M&E practice that AESA could consider

- Option 1: Implement the current system and collate information on a regular basis. Implement data quality checks. There should be rewards for good data, consistent messages around the value of the data, the ability to withhold payments if programme monitoring data is not submitted, training resources and other mentoring advice available for interested grant-holders.
- Option 2: Develop, with grant-holders, a more substantive set of measures. This could then be run through a variety of more sophisticated statistical tests to understand mechanisms at work to make a successful grant/ research training package.
- Option 3: Develop monitoring system and undertake in depth evaluation to build on Option 2, but would have an additional contract for testing cost-benefit and cost-effectiveness. This would help to answer questions of the worth of research capacity development to skeptical audiences.

Recommended actions

- Develop a prioritised plan for delivery of funding and grants management policies, with realistic deadlines, needs to be set and adhered to.
- Funders' expectations with respect to managing the DELTA awards needs to be articulated and a detailed handover process and timeline agreed.
- Details of the practicalities of managing DELTAs grants (handling supplements etc) need to be finalised.
- Consider approach to M&E development

6. Financial Management capability

The Finance team is composed of staff with relevant experience and qualifications. A review of the processes and reporting indicated practices and processes used by AAS/AESA were sound; this included indication of appropriate segregation of duties and a scheme of delegation. It was confirmed (in as far as was possible in the confines of the review) that reports produced by the team were accurate and appropriate for decision-making; however this required significant manual intervention using excel due to the limitations of the current finance system. The new finance system is expected to resolve this when implemented in January 2016, and the finance team recognise the importance of working closely with AESA in collaboratively designing the new financial reports.

It was confirmed there was an asset register and appropriate insurance in place to ensure assets were safeguarded. It was noted however that a range of insurance providers for different assets were being used resulting in additional administration.

AESA provided the review team with a Risk Management framework and a draft risk policy which seem appropriate given the size of the organisation and its stage of development. AAS have also established the AAS Audit and Risk Committee to oversee the organisation's exposure to risk. A risk register covering a range of management, financial, operational & external risk factors is in place with clear action owners, although timescales for addressing these are vague.

AAS bank accounts are reconciled monthly as a control over the safeguarding of cash. Treasury processes are in place to manage the organisation's current asset management and cash-flow requirements. As the AESA platforms grow, the AAS finance team may wish to review these procedures particularly in respect to the management of the increasing endowment and payments to DELTAS grant-holders.

The Finance team seemed generally well integrated with the programme areas and this should be further encouraged to ensure the organisation had a joined up approach to grant management and grant assurance. There is currently sharing of function within the team across different business activities.

A new procurement policy has been drafted and the team have been holding training sessions with all staff so they are aware of required procedures around anti-bribery and value for money. A new post had started recently to handle procurement issues, there was evidence that there was a culture of ensuring goods and services procured achieve best value for the organisation. It was noted that lowest price does not always equate to best value, as evidenced by the contract for the IT support service.

The appetite amongst staff to take on more responsibility for areas of the financial management of DELTAS grants was evident. However, the team has at times struggled to understand the reporting requirements of the funders and what is the appropriate approach to presentation of budgets and plans.

Recommended actions

- Need clearer communication of expectations around financial management requirements from Trust. This includes the make-up of core and direct costs within the budget and reporting, in addition to the timeline of the staggered handover plan.
- AESA should develop their own risk framework for the financial management of grants, in conjunction with guidance from the funders. This should include site visits, grantee reporting and internal audit.
- There is currently sharing of function within the team and it may be worth thinking about separating finance functions e.g. grants management/ planning and reporting/AP/Payroll to ensure the team operates as effective business partners to the programme activity..

Appendix 1

Format and Structure of Review

Review team

Wellcome Trust: Anna Curson, Benjy Smith & Sean Hussain

DFID: Stephen Porter

BMGF: Joseph Torres

Review Criteria

The review team were given terms of reference (appendix 2) and asked to consider the progress against the milestones and deliverables agreed with AESA, to consider the capacity and capability of AESA to deliver the identified organisational objectives and to assess the status of understanding and activity in key areas of the operation, alongside plans for future development.

The Funders wanted the review to cover the following questions/areas:

- Is AESA being set-up appropriately?
- Is AESA appropriately resourced?
- Lessons learned from the first year of set up
- Monitoring and evaluation set up
- Recommendations of key milestones for 2016
- Value for money and financial performance
- Key risks and changes to risk

Approach

The areas the review team wished to cover were shared in advance with AAS (see appendix 3). The three days of review were split into a series of presentations and interviews with key staff. Additional documentation was provided by AESA during the visit. The review team has undertaken a high level review of this documentation however detailed review has not been possible in the timeframes set for the review.

Interviews were held with:

- Berhanu Abegaz, Executive Director AAS
- Tom Kariuki, Director AESA
- Anne Kimari, COO AAS
- Kevin Marsh, Special Advisor AESA
- Nidhee Jadeja, Change Manager AESA
- Benjamin Gyapoh, Programme Manager CIRCLE
- Alphonse Neba, Programme Manager DELTAs
- Evelyn Gitau, Programme Manager GCA
- Josephine Karuri, M&E Manager
- Susan Gichoga, Grants Officer
- Deborah Ndlovu, Communications Manager
- Hannah Ngugi, Finance and Admin Manager
- Isabel Imbuye, Grants Accountant

Appendix 2

DRAFT Terms of Reference for Funders' Review of the AESA platform

Rationale and approach:

The Wellcome Trust, the UK Department for International Development (DFID) and the Bill and Melinda Gates Foundation (BMGF) are funding the development of the Alliance to Accelerate Scientific Excellence in Africa (AESA), based at the African Academy of Sciences (AAS). In the funders' Memorandum of Understanding and funding agreements with AAS, it was stipulated that an interim funders' review of AESA would be conducted in November 2015. A funders' audit was also scheduled for November 2015, but the funders' have re-scheduled this for September 2016, when there will have been more substantive financial activity to audit.

The aim of this review is to assess the progress in setting up the AESA platform against agreed milestones and deliverables to inform the future AESA work plan and funders' decisions on when to transfer existing and new funding schemes. If all review criteria are not met in November, measures will be put in place to support the development of these criteria and sign off their completion at a future agreed date.

The audience for the review will be the Partners Group. The Partners Group will convene within a month of the review to consider the report and implications if any, for the development of the platform and make recommendations and provide feedback to AESA.

Review team:

The review team will be composed of individuals with expertise in research funding, grants management processes and systems, finance processes and systems and organisational support. It is the Trust's intention to deploy a team who have not been involved in supporting the initiative in order to bring a fresh perspective, as well as representation from DFID and BMGF.

Review criteria:

The detailed review criteria are based on the agreed milestones and deliverables for the project (see table below). In addition to these specific criteria, the review team will consider higher level strategic criteria including:

- Is AESA being set-up appropriately?
- Is AESA appropriately resourced?
- Lessons learned from the first year of set up
- Monitoring and evaluation set up
- Recommendations of key milestones for 2016
- Value for money and financial performance
- Key risks and changes to risk

Table 1. AESA milestones, deliverables & review criteria.

Target Date	Milestone	Deliverables	Review criteria and questions
January 2015	1. Start of funding for AESA	<ul style="list-style-type: none"> - MoU agreements signed - All relevant funding agreements / award letters signed - Key staff recruited (Director, COO, Programme Manager) - Development of training programme plan for staff 	<ul style="list-style-type: none"> - All appropriate MOUs are in place; - Robustness of staff recruitment processes - Quality of staff induction and training programme - Appropriateness of HR structure.
April 2015	2. Management structures established	<ul style="list-style-type: none"> - Partners' Group established and first meeting held - Independent Strategic & Scientific Advisory Board established 	<ul style="list-style-type: none"> - Are there established management structures in place at AESA? - Is there appropriate separation between AESA and AAS business? - Are ToRs in place for Boards including policies on payment for members if appropriate and a plan to rotate members on and off Boards?
May 2015	3. Initiation of AESA grant-making systems and function	<ul style="list-style-type: none"> - Recruitment of first batch of programme staff - Grants management and IT system established and staff trained - Ability to run calls for proposals (RFP) developed - Grant-making policies agreed 	<ul style="list-style-type: none"> - See Annex 1 (Staff, systems, process & policies) - Ability to run Grand Challenges Africa calls**
June 2015	4. Launch of AESA scheduled	<ul style="list-style-type: none"> - Launch meeting scheduled with appropriate stakeholders - Attendance and engagement of pan-African stakeholders and funders arranged 	<ul style="list-style-type: none"> - What was the coverage and impact of the launch? - Are appropriate plans in place to build on this stakeholder engagement?
October 2015	5. Think tank established	<ul style="list-style-type: none"> - Think tank and first draft of scientific strategy developed - Formal and informal agreements made with a network of pan-African stakeholders 	<ul style="list-style-type: none"> - Have appropriate staff been recruited to perform this process? - Confirm if strategy or plan is in place with appropriate resource.
October 2015	6. AAS core financial and operational management capability	<ul style="list-style-type: none"> - Business plan developed - Annual budget and 5-year forecast developed for AAS/AESA agreed and approved by the funders - Appropriate financial and operational controls, policies and procedures implemented including internal and external audit functions, finance system and management planning and reporting - Recruitment and training of suitably qualified and experienced finance staff 	<p><i>Financial governance</i>-To provide funders with evidence that summarised financial reports are correct for decision making and assets are safeguarded.</p> <ul style="list-style-type: none"> - To assess whether information provided enables strategic goals and issues to be discussed - To review risk register and ensure that risk management embedded in management of AESA - Evidence of appropriate separation of duties and delegated authorities in place. <p><i>Reporting and Accounting</i>- To gain assurance that expenditure incurred and income received is captured accurately and reporting is appropriate for decision making</p> <p><i>Cash</i>- To gain assurance that cash is safeguarded</p> <p><i>Procurement</i>- To assess whether goods and services procured achieve best value for the organisation</p> <p><i>Employee Expenses & Payroll</i>- To gain assurance that expenses paid to staff are all reasonable expenses incurred while on the entities business</p>

			<i>Asset Management</i> - To ensure assets are safeguarded and where appropriate insured <i>Financial Management of Grants</i> - To gain assurance that grants awarded and payments made are used for the purpose as approved by the funding committee
October 2015	7. AESA Platform grant awarding capability	- Peer review pool established (with agreements) - Independent grant decision making committee established (with agreements)	- Review based on criteria for Gates Grand Challenges Initiative**
November 2015	8. Funders review	- Interim funders' review of platform - Interim funders' audit of platform - Review of status to prepare for transfer existing or new grants programmes	- N/A
2016 <i>To be agreed after funders review</i>	9. Grants management – establishing a track record	- Grants are awarded through transparent decision making - Due diligence checks of new grantees conducted within x time of award - Performance metrics on time from grant award to contracting? - Grant activity is monitored and actively mentored and managed - Audits of grantees - Mid-and full- term evaluation of funding schemes is undertaken (including an external element)	- Asses whether AESA are developing appropriate processes and expertise in order to achieve this (see Annex 1.)
2016-2017 <i>To be agreed after funders review</i>	10. Development of Monitoring and Evaluation capacity of AESA	- Grant monitoring processes established - Business plan is fully implemented and funding is leveraged	- Grant monitoring processes established* (see Annex 1.)

* indicates a criterion specific to DELTAS; ** indicates a criterion specific to Grand Challenges Africa.

Review reserved for Partners group:

We have identified the following “criteria” as appropriate for review by the Partners Group at their November/December 2015 meeting with some input from the review team.

- Confidence in AESA leadership
- Is AESA demonstrating evidence of appropriate outreach activities with stakeholders, and that they are building credibility in their target communities?
- An appropriate business plan has been/is being developed which describes a compelling and financially sustainable future, not solely dependent on founding funders?

Appendix 3

AESA review November 2015

Aim

To review the AESA platform on behalf of the Funders Group to;

1. Assess progress in setting up the AESA platform as an entity embedded in AAS
2. Review progress against agreed milestones and deliverables
3. Assess the capability of AESA to deliver identified organization objectives
4. Review organizational plans
5. Provide feedback on feasibility of plans to transfer existing and take on new funding schemes
6. Identify key areas of risk or concern

Review activity

The following areas will be covered by the review and the Review Team will be looking to understand the current status of understanding and activity in each area, as well as plans for future development.

1. Governance
 - a. MoUs (key elements, purpose and validity)
 - b. Reporting arrangements to Funders (are all requirements appropriate, understood & are AESA in a position yet to deliver all elements)
 - c. Oversight (relationship with Funders when fully operational)
 - d. Relationship with AAS
2. Management
 - a. Leadership (Vision and strategy and awareness of these through AESA)
 - b. Organisational Structure in AESA (& how may this evolve over time)
 - c. Organisational/Operational plans
 - d. Reporting (Internal management information)
 - e. Risk management (to include organizational risk, BCP, fraud, anti-bribery and corruption)
3. Organizational development
 - a. Strategic development
 - i. Clarity of vision for AESA
 - ii. Engagement with stakeholders
 - iii. Plan going forward (e.g. Comms strategy)
 - iv. Future sustainability
 - b. HR
 - i. Staff capability
 - ii. Recruitment and retention (experience so far, thoughts going forward)
 - iii. Employment policies
 - iv. Staff development (what is in place, plans going forward)
 - v. Performance management (what is in place, plans going forward)
4. Organizational infrastructure
 - a. Facilities
 - i. Security
 - ii. Office & meeting space
 - iii. Support (AV, telephony, printing etc)
 - iv. Health & Safety (H&S)
 - b. IT

- i. Infrastructure
- ii. User support arrangements (including hardware & software)
- iii. Development (introduction of new systems e.g. grants & finance)

5. Grant Management capability

- a. Staffing appropriate to needs
- b. Policies (development of AESA policies, managing awards from different funders)
- c. Processes
- d. Systems (design and use)
- e. Controls over grant award internally and use of grant funds externally
- f. Committee membership and management
- g. Handling Grand Challenges
- h. Handling Deltas
- i. Approach to monitoring and evaluation
- j. Approach to developing new funding activity

6. Financial Management capability

- a. Financial Governance & Control (policies and procedures, culture)
- b. Reporting & Accounting (appropriateness of reports, process, accuracy)
- c. Asset Management (are assets safeguarded – insurance in place etc)
- d. Cash & Treasury (are controls in place to ensure cash is safeguarded)
- e. Procurement
- f. Expenses & Payroll
- g. Financial Management of Grants