



ELRHA

ANNUAL REPORT 2022

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MESSAGE FROM THE CHAIR

2022 has been a devastating year for humanity.

On the one hand the lifting of the last remaining Covid-19 restrictions in most of the world was a momentous achievement, made possible through determined global co-operation and the deployment of science and innovation on a scale never seen before. And the global response to the pandemic, while by no means perfect, showed how quickly systems can move to protect the lives of billions when the conditions are right, and there is political will. But on the other hand, those affected by humanitarian crisis in many parts of the world did not receive the urgency of attention they needed and deserved.

The scale of need was deeply shocking: over 400 million people were affected by humanitarian crises, an increase of a third compared to 2021 figures.¹ Hundreds of millions of people faced extreme food insecurity driven by drought and conflict, often combined, and widespread flooding devastated the lives of millions. Climate driven crises continued to wreak havoc across countries and communities. In addition, cholera spread at a scale and speed we thought we would not see again. Humanitarian funding has not kept pace with these rising needs. As a result, the extent of unmet needs and the depth of suffering has further increased.

If the humanitarian response community cannot meet such a magnitude of need, we must ask ourselves, what we do about those millions of people that year on year cannot be reached? How do we begin to reverse these trends? How does the humanitarian response community need to adapt? The response to Covid-19 points to one of the more promising routes forwards: global cooperation on the deployment of science and innovation to address humanitarian challenges. That holds truly transformative potential.

At Elrha we have always strived to find, invest in and champion robust research and innovative solutions that have the potential to address critical and complex humanitarian problems. This year we continued to support our many grantees to achieve results through our research for health in humanitarian crises (R2HC) programme and our humanitarian innovation fund (HIF), launching four new funding calls targeting some of the most challenging issues, from health systems to anticipating crises. Within our work we focus on under-represented issues and inclusion of vulnerable groups, including women and girls,

¹ Global Humanitarian Assistance Report 2023, *Development Initiatives*

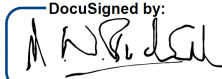
people with disabilities and older-age people. We are proud that through our unique networks and partnerships we can use the very best of research and innovation to address their priority needs as they see them.

This was also a year where we began to think more deeply about our role in the wider humanitarian system as we started to develop our new long-term Strategy. This Strategy will shape our work from 2023 onwards. Our ongoing programme of research and consultation through our Global Prioritisation Exercise for Humanitarian Research and Innovation (GPE) provided insight into challenges that we will need to address in the future if we are to see research and innovation achieve widespread impact on humanitarian needs. This research, combined with the input and perspectives of our wider stakeholder community and the learning from our programmes, have led us to conclude that we must radically raise our ambition for research and innovation in the humanitarian system. We must commit ourselves to push for reform if we want to see an equitable and ethical research and innovation community. We are looking forward to launching our new Strategy in 2023 and collaborating with the wider humanitarian community and with our key stakeholders.

We remain continually grateful to the commitment, passion and drive of our exceptional team of staff, governing bodies, grantees, partners and funders. We are proud of the work we have achieved together in 2022 and are looking ahead to 2023 and beyond, as we move into a new chapter for Elrha.

Margie Buchanan-Smith, Chair

Elrha Board of Trustees

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ABOUT ELRHA

We are a global charity that finds solutions to complex humanitarian problems through research and innovation.

OUR VISION FOR CHANGE: A world equipped to mitigate the impact of humanitarian crises.

OUR MISSION: To improve humanitarian outcomes through partnership, research, and innovation.

OUR PURPOSE: To empower the humanitarian community to improve humanitarian response. We make this happen by supporting and championing the outcomes of robust research and proven innovations.

HOW WE ACHIEVE THIS: We work in partnership with humanitarian organisations, researchers, innovators, and the private sector to tackle some of the most difficult challenges facing people all over the world. We equip humanitarian responders with knowledge of what works, so that people affected by crises get the right help when they need it most.

Our combined focus on research and innovation is central to our belief that the humanitarian system urgently requires robust evidence-based solutions. This allows us to invest in both with confidence, knowledge, and expertise.

We carry out our work primarily through two funding programmes:

The Humanitarian Innovation Fund (HIF) aims to improve outcomes for communities affected by humanitarian crises by identifying, nurturing, and sharing more effective and scalable solutions. The HIF is a leading actor in the development and testing of innovation in the humanitarian system. Through the HIF, we fund, support, and manage innovation at every stage of the innovation process. Our portfolio of projects informs a detailed understanding of what successful innovation looks like, and what it can achieve for the humanitarian community. This work is driving a global conversation on innovation in humanitarian response.

Research for Health in Humanitarian Crises (R2HC) aims to improve health outcomes for people affected by humanitarian crises by strengthening the evidence base for public health interventions. Our globally recognised research programme focuses on maximising the potential for public health research to bring about positive change in humanitarian response. Since 2013, we have funded 95 research studies across a range of public health fields.

As part of our ambition to drive investment towards the world's most urgent humanitarian needs, we have also recently embarked on a new initiative which aims to develop and test food security and nutrition packages for multi-sectoral preventive interventions to address food insecurity.

Alongside our work through our two funding programmes, we also have our flagship initiative, the **Global Prioritisation Exercise (GPE)**, the first of its kind in the research and innovation space. The GPE aims to improve outcomes for people affected by crisis by amplifying the impact of investments in research and innovation and understanding the priorities at all levels.

Through a programme of global research, mapping, and consultations across the humanitarian system we aim to reveal investment trends and activities in humanitarian research and innovation, to highlight successful examples, identify what humanitarians and communities affected by crisis believe are the most pressing areas for investment, and support the development of an inclusive coordinating mechanism that enables multiple actors to target activity to the most pressing needs.

We are also proud to host the **UK Humanitarian Innovation Hub (UKHIH)**, a Foreign, Commonwealth and Development Office (FCDO)-funded initiative. The UKHIH aims to bolster collaboration between science, innovation, government, and private actors to find solutions to humanitarian challenges caused by disasters and conflict.

OUR GUIDING PRINCIPLES

In pursuing our mission and vision, we want to make sure that our work is undertaken in an ethical and robust way. We are led by six guiding principles:

- 1) Improving outcomes for people affected by crisis is at the heart of our work.

- 2) People have a right to quality humanitarian response that is informed by robust evidence.
- 3) Research and innovation should always be undertaken within a responsible and ethical framework.
- 4) Evidence must be made widely available and accessible to achieve the greatest possible impact.
- 5) Collaboration and partnership, including with people affected by crisis, improves the quality, impact and uptake of research and innovation.
- 6) Creativity, exploration and informed risk-taking is crucial to learning and bringing about change.

DONORS

Our work is funded by:

The UK Foreign, Commonwealth and Development Office (FCDO), The Netherlands Ministry of Foreign Affairs (MFA), the Norwegian Ministry of Foreign Affairs, Wellcome Trust, Swiss Agency for Cooperation and Development (SDC) and the National Institute for Health Research (NIHR).

ACKNOWLEDGEMENTS

For their guidance, dedication, and support throughout the year, we would like to acknowledge and thank Elrha's Board of Trustees. We would also like to thank the members of our Funding Committees, Advisory Groups, our Technical Working Groups and GPE Reference Group, for continuing to provide invaluable expertise to our work.

Finally, we would like to acknowledge all our incredible partners and grantees, and all the organisations we have worked with in 2022 for their collaboration and partnership.

TRUSTEES' REPORT

The Trustees (who are also Directors of Elrha for company law purposes), have pleasure in submitting their Annual Report and audited financial statements of the company for the year ended 31 December 2022.

1. STRATEGIC REPORT

1.1 2022 STRATEGIC OBJECTIVES

Underpinning our work is a drive to improve outcomes for people affected by crises. We are committed to supporting research and innovation that targets pressing humanitarian needs. Our approach is to identify those needs, find the right groups of people to analyse and address them, and support their efforts. By leveraging evidence and solutions, we aim to contribute to creating a more effective humanitarian system.

2022 has been a significant year for all of us in Elrha. As we, and the world, began to emerge from COVID-19 restrictions we were thrilled to be able to return to full programme delivery. While we had been able to push forward significant work in 2021, the impact of the global pandemic combined with the UK Official Development Assistance (ODA) funding cuts had meant that we needed to put several of our planned research and innovation grant calls on hold. It was a priority for us to re-establish these as soon as conditions allowed. We are grateful to our team, advisory bodies and grantees for their patience and resilience during 2021, all of which have meant we have been able to re-establish our work quickly.

2022 also represented the final year of delivering against our current strategy. Across the organisation we embarked on a process of reflection, consultation, and forward planning as we began the work to take stock of our achievements and learning and to develop our new long-term strategy. To prepare the ground for the transition between our current and our new strategic periods we set out six strategic priorities for the organisation in 2022. We have made strong progress against all.

Inclusion – We will increase the inclusion of actors and voices from low- and middle-income countries (LMIC) across our work: Under this priority we have focused efforts to increase the inclusion of LMIC actors across all areas of our work and decision-making. This commitment will deliver improvements to the relevance and ultimate impact of our work, aligning with our guiding principles, and supporting our anti-racism agenda and

work on Equality, Diversity, and Inclusion. In 2022, we made good progress on this objective, noting substantial increases in eligible applications from actors based in LMICs across both our HIF and R2HC funding calls. Moreover, the number of applicants from LMIC contexts who were successful in the first stage of the evaluation process also grew. In 2023 we will take forward work to increase representation of LMIC actors in our governance structures (funding committees and advisory groups), among technical reviewers, and at our events.

Systems – We will improve our operational systems to ensure they are fit for purpose: Our operational systems require updating to ensure they continue to be fit for purpose for our current programme and ready for future work. In the last year we have focused on improving our grant management system, undertaking a mapping exercise to establish where there are gaps and how to prioritise them. In 2023 we will conduct a solutions analysis exercise and move on to implement the best fit solutions. We also made significant progress in implementing improvements in other areas, including procurement, risk management, incident management and fundraising protocols. These improvements are due to be finalised in 2023.

Funding – We will achieve sustainable funding and increase the diversity and flexibility of our funding sources: We have continued to work with our donors as we develop our new strategy, combining our collective learning on what works and developing shared priorities to deliver greatest impact. To ensure that we continue to evolve our business model to be sustainable and resilient to shocks, we have focused on developing new funding partnerships with a greater diversity of donors. We took some forward steps with this objective over the year, securing FCDO funding for the HIF until 2025, and submitting proposals to two new donors. We also completed an assessment of the donor landscape at the end of year, as part of the ongoing evolution of our business development strategy.

Impact – We will improve the way we measure, understand, and communicate our impact: We continue to make progress in measuring and capturing the impact of our programmes and the work we fund. During 2022 we produced a number of impact case studies and completed an external evaluation of the HIF. In 2023, we will be increasing our resource for MEAL, aiming to introduce a range of improvements to support our organisational understanding of, and how to communicate, impact.

Identity – We will articulate a clear and coherent ‘Elrha’ identity that aligns our organisation and amplifies our influence in the sector:

Elrha has a strong and credible reputation and clear principles that guide our work. As we move towards our new strategic period, we want to distil this further to articulate a strong unifying identity and a core set of values held across every aspect of our work. This will help us to increase the recognition and influence of our work, drive our new strategy development process and support more ambitious fundraising. In 2022 we set out to ensure that Elrha’s purpose, values and our added value to the sector are clearly defined. We put particular focus on developing our values with input from staff, these have been developed and form the foundation of our new long-term strategy for the organisation. Follow on plans are in place to convene workshops and discussions to further engage employees with these values over the next year.

Transition – We will engage the whole organisation in the development of a compelling new strategy:

Elrha will be entering a new strategic period in 2023. The challenges and needs in the humanitarian system have evolved and increased since the creation of our current strategy, and the wider ecosystem for humanitarian research and innovation has further matured and diversified. Our own work has also significantly expanded and matured and provides us with opportunities to explore new ways of working across Elrha. This year we established plans to engage staff and trustees in the development of our new strategy, which will enable us to be even more ambitious and impactful on the issues we care about. We engaged colleagues and stakeholders at all levels of the organisation in the process through workshops and regular consultations. The final strategy will be finalised and launched in summer of 2023.

The remainder of this report sets out our delivery and achievements against our current strategic document. This is organised around four strategic objectives, which are:

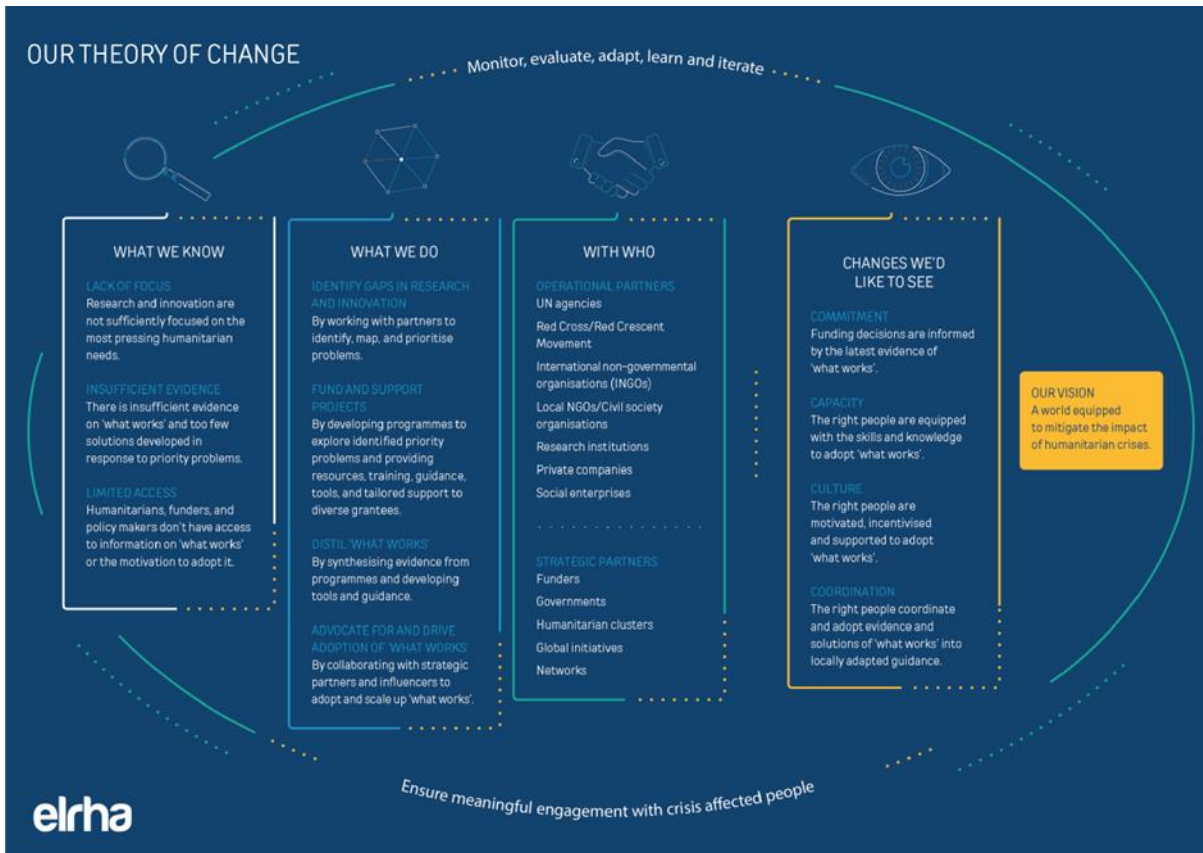
Define: We identify and prioritise the most pressing problems within humanitarian response and plan the research and innovation approaches needed to tackle them.

Develop: We invest in the right people to research, explore, develop, and test the solutions to these problems.

Distil: We create and share practical tools and guidance based on the evidence of what works.

Drive: We empower the humanitarian community to adopt what works.

Our objectives, how we aim to achieve them and the changes we'd like to see as a result, are articulated in our theory of change:



1.2 2022 ORGANISATIONAL HIGHLIGHTS

Continuing to fund, support and progress research and innovation in

humanitarian settings: We launched four funding opportunities across our HIF and R2HC programmes and will be announcing the successful grantees in 2023. R2HC launched two parallel funding calls for research concerned with Strengthening Health Systems and Current and Anticipated Crises, with a particular focus given to proposals emphasising the needs of women and girls. The HIF's Advancing Innovations funding challenge sought proposals from teams who had previously received HIF funding to further support the progression of their innovations, while a further funding challenge sought new study innovations centred around Data-Driven Inclusion for older people and people with disabilities. We also undertook research into the tactics that humanitarian innovators have successfully used to scale their innovations. Our paper, ['How to Scale: Tactics to Adopt Humanitarian Innovations'](#), identified six methods that innovation teams had used to increase the uptake and visibility of their innovations.

Launching our Global Prioritisation Exercise: We officially launched our flagship initiative, the Global Prioritisation Exercise (GPE) for humanitarian research and innovation in March. We [hosted a panel discussion](#) at the UN Office for the Coordination of Humanitarian Affairs' (UN OCHA) Humanitarian Networks and Partnerships Week (HNPW) in May to discuss how well research and innovation is currently financed across the humanitarian system and explored ways in which their contributions to the humanitarian community could be strengthened. In November, we published a [funding flows analysis report](#) examining investment in research and innovation to identify needs and priorities for the humanitarian ecosystem.

Increasing engagement and funding for international partners: As part of our continued commitment to shifting the power from INGOs to those living and working in proximity to humanitarian crises, our Community-Led Innovation Partnership (CLIP) published a discussion paper, '[The Meanings of Humanitarian Innovation: Reflections from the Community-Led Innovation Partnership using a postcolonial lens](#)', which explores questions of decoloniality and knowledge production in humanitarian innovation.

R2HC's 2022 dual funding call was also designed to better generate equitable international partnerships, with ownership and input from partners with local or contextual expertise. 13 studies were recommended for funding, with a strong representation from research teams led by partners from LMICs.

Funding real-time research in response to major new crises: the UKHIIH funded three studies in response to new major humanitarian crises. The rapid response initiative commissions real-time research to identify challenges and solutions in areas of emerging humanitarian need, this year providing support for studies in [Ukraine, Afghanistan](#) and [Pakistan](#).

Joint programme work: In February, we published '[Innovation for Sexual and Reproductive Health in Humanitarian Crises](#)', a piece of research commissioned by both R2HC and HIF. The report assessed how innovation is currently utilised for sexual and reproductive health (SRH) in humanitarian crises, and provides best practice guidance for how to meaningfully innovate for SRH. In further joint programme initiatives, R2HC and HIF have now contributed 'end to end' funding and scaling support for Self Help+, a guided self-help intervention developed by WHO which aims to address the difficulties of providing evidence-based MHPSS interventions in hard-to-reach humanitarian settings with limited resources at a larger scale. R2HC provided the initial funding to WHO in 2015 to produce

[research that would help improve the evidence base](#) of such interventions, while the HIF funded local partner HealthRight International throughout 2022 to further translate, adapt and test the innovation in other humanitarian contexts (see Funding Snapshot on page 22 and Impact Snapshot on page 29 for further details).

1.3 HUMANITARIAN INNOVATION FUND

In 2022, our work on innovation centred on six areas of focus: [Water, sanitation and hygiene \(WASH\)](#); [Gender-based violence \(GBV\)](#); [inclusion of people with disabilities and older people \(DOAI\)](#); innovation skills and capabilities; [scale](#); and [locally-led innovation](#).

We continued to provide grant funding and non-financial support directly to over 30 innovation projects. Through our partners in the [Community-led Innovation Partnership \(CLIP\)](#), we also provided funding and support to a further 48 smaller, local innovations.

Revealing key priorities and gaps in humanitarian innovation

In 2022, we continued to research key gaps and priorities in humanitarian innovation. In our WASH area, we explored the key gaps highlighted in the 2021 WASH gap analysis, including researching one of the most mentioned – solid waste management (SWM) – in two humanitarian settings. The resulting report '[Innovation Opportunities in Solid Waste Management](#)' outlines five possible innovation opportunities in SWM in humanitarian settings, as well as looking at the factors underpinning the problem and what solutions have been tried already. The report was launched at a satellite event at the Global WASH Cluster meeting in October 2022.

In our scale focus area, we undertook a piece of research into the tactics that humanitarian innovators have used to successfully scale their innovations. Our paper 'How to Scale: Tactics to Adopt Humanitarian Innovations' outlines six tried and tested methods that innovation teams can use to increase the uptake of their innovations. In November 2022, the paper [was launched at a webinar](#) with a panel discussion followed by a Q&A session.

Inclusion of people with disabilities and older people (DOAI)

This year, the projects funded through the Measuring Effectiveness for Meaningful Participation and Inclusive Preparedness funding challenges were completed. In addition, we launched two new funding challenges, [Data Driven Inclusion](#) and Advancing Innovations.

The Data Driven Inclusion challenge will see the development of innovative data collection approaches that will generate action-oriented recommendations on how to make humanitarian programming more inclusive of older people and people with disabilities. The Advancing Innovation challenge was open to organisations who have already received grants through the HIF to progress their innovations further.

In December we launched the [Disability and Older Age Inclusion in Humanitarian Action – Innovation Catalogue](#). This catalogue brings together an overview of the 17 projects funded by the HIF and their contributions to addressing the gaps identified in our [2020 gap analysis](#) to inform future stages of innovation. Many of the innovators used inclusive research techniques to move beyond viewing people with disabilities and older people solely as research subjects. The catalogue consequently provides valuable learning on how to include people with disabilities and older people as active participants in research activities, and as researchers themselves.

FUNDING SNAPSHOT

Disability and older age inclusion (DOAI)

Inclusive Preparedness for People with Disabilities in Mozambique

Light for the World

Light for the World and partners have conducted an 'exploration lab' – a creative and participatory design research method to enable people with disabilities and older people in Mozambique to be researchers of their own lived experiences in a disaster-prone region. The findings from the exploration lab have been used to leverage a further two-million-euro funding from the Austrian Development Agency for a programme to reduce the impact of climate-related risks by strengthening community resilience in an inclusive and gender responsive way.

Gender-based violence (GBV)

Throughout 2022, we maintained our presence within the global community of research and innovation on GBV through support to three cohorts of grantees (continued from 2021), participation in global forums, and through online publications.

In February, together with R2HC, we published '[Innovation for Sexual and Reproductive Health in Humanitarian Crises](#)', which provides an analysis of where we are in terms of innovation for the humanitarian sexual and reproductive health (SRH) sector and offers a clear strategy and next steps on how to meaningfully innovate for SRH.

In terms of grant cohorts, we supported grantees under the following funding challenges, all of which began prior to 2022:

- Driving the adoption of GBV monitoring and evaluation (M&E) approaches
- Innovative responses to intimate partner violence in humanitarian settings
- Advancing GBV Innovations (providing follow-up funding to previously HIF-funded innovations).

We maintained our active engagement with our Technical Working Group (TWG) and the wider sector throughout the year, including:

- Sexual Violence Research Initiative's (SVRI) biennial forum
- Preventing Conflict-related Sexual Violence (PSVI), a global event hosted by the UK Government.

We produced two blogs in late 2022, drawing on topics raised by grantees and other thought-leaders at these events. One blog draws lessons on the [scaling of innovations in the GBV sector](#), while the other [explored technology-facilitated GBV](#) as an emerging area in possible need of attention when it comes to humanitarian research and innovation.

FUNDING SNAPSHOT

Gender-based violence (GBV)

Addressing Gender Bias within Humanitarian Organisations and Gender-based Violence in Emergencies Programming

Paris School of Economics with the Abdul Latif Jameel Poverty Action Lab (J-PAL)

This project identified and addressed gender biases among practitioners and organisations working to tackle GBV in humanitarian emergencies. The project worked with humanitarian GBV response actors in Ethiopia and Myanmar. Collaborating with focal points within the intervention group of organisations, the project examined organisational gender bias using an innovative seven-point analytical framework (identifying gender bias as manifesting within distinct areas such as organisational processes, field-based work, and interactions with affected populations). The project generated qualitative and quantitative examples of individuals' increased awareness of gender bias, and of humanitarian organisations making positive changes to improve their approach to gender equity. This innovative area of focus and approach to improving programme quality has generated significant interest within academia and among humanitarian donors, UN agencies and NGOs.

Water, sanitation, and hygiene (WASH)

Our WASH area of focus has continued to support the development, evidencing and scaling of innovations across several priority problem areas, including water treatment and water quality testing, handwashing, menstrual health management (MHM) and incontinence management.

Following the launch of our [WASH gap analysis](#) in 2021 we designed a [six-step methodology](#) for exploring problems to identify innovation opportunities. This methodology was piloted by researching the problem of solid waste disposal, one of the top gaps highlighted by the gap analysis. The research was conducted in Doolow internally displaced persons (IDP) camps in Somalia, and Rwamwanja Refugee Settlement in Uganda. It included consultations with people affected by crisis, humanitarian agencies, and local authorities to understand both problems and barriers, and the existing, trialled and emerging solutions. Based on this

analysis, [the report highlights five main opportunities for innovation](#) and a long list of specific innovation opportunities. The findings of the research were validated by an expert panel of 11 SWM experts, both practitioners and academics, and was launched at the Global WASH Cluster Satellite Events in October.

This year saw several of our grants across our MHM and incontinence cohorts finish their activities, so we have supported them to share their results and outputs with the sector. All three grantees working on incontinence presented their findings to the Global Hygiene Promotion TWG in March. Eight HIF grantees presented at the Emergency Environmental Health Forum in May, and a further three presented at the UNC Water and Health Conference in October.

We have continued to support grantees to evidence and scale their innovations through our non-financial support activities and through our networks. In early 2022 we convened two workshops with four grantees to refine their uptake strategies and use of the evidence they are collecting. We have continued to refine these strategies in our regular check-ins with grantees. Four grantees also presented their products to our WASH TWG. This resulted in the formation of new partnerships and the testing of one innovation within a new organisation.

In the latter half of the year, we worked to relaunch the [Faecal Sludge Management Challenge](#) and the [Adoption Challenge](#) that were put on hold in 2021 due to COVID-19. These challenges will launch in early 2023.

FUNDING SNAPSHOT

Water, sanitation, and hygiene (WASH)

Surprise Soap – Further Piloting

London School of Hygiene and Tropical Medicine (LSHTM) with Save the Children UK, ACF and CARE.

Surprise Soap aims to incentivise children to wash their hands by placing a toy in the centre of a transparent bar of soap. The project has undertaken a randomised controlled trial (RCT) to understand if the impact of Surprise Soap observed in [a previous study](#), (in which the intervention increased handwashing rates fourfold) can be sustained over a longer period (16 weeks), in more unstable settings (Somalia and Sudan) and when implemented with different organisations (ACF and Care).

Preliminary results indicate that the area where Surprise Soap is most effective is in driving up rates further where existing facilities are not being utilised. Through a network of implementers, it is estimated that approximately 25,000 children have already received Surprise Soaps.

Innovation Skills and Capabilities Building

We are committed to advancing the knowledge and practice of innovation in humanitarian settings. This commitment is formalised through our work on innovation skills and capabilities building, which serves as a focal point for non-financial support to HIF grantees, as well as our efforts to improve innovation skills and capabilities across the sector.

During 2022 we continued to work with a multi-disciplinary group of subject matter experts to identify and respond to knowledge gaps among innovators, innovation enablers, and humanitarian practitioners working to improve the effectiveness of humanitarian action. We have placed particular emphasis on ethics and participation for humanitarian innovation in line with our commitment to responsible research and innovation.

In 2022 we presented our [Ethics for Humanitarian Innovation](#) (EHI) resource at the World Food Programme (WFP) Acceleration Week and continued to offer mentoring to participating teams as requested. This resource has also been incorporated by Massachusetts Institute of

Technology (MIT) D-Lab into undergraduate and graduate teaching on Humanitarian Evaluation with students from Harvard's Kennedy School, MIT, and Wellesley College.

Building on this work, we have further collaborated with MIT D-Lab to co-create a participation toolkit for humanitarian innovation, based on their expertise in this domain. Building and expanding on their prior work, we have produced the Participation for Humanitarian Innovation (PHI) resource, which has been further supported by two academic papers presented by MIT D-Lab at the International Conference for Education, Research and Innovation, which are being edited into a background paper to be published in 2023.

The PHI resource was presented during the MIT Migration 2000 Summit and tested with members of the London School of Hygiene and Tropical Medicine's GOAL refugee mental health research project. This includes the SOAS-based not-for-profit PositiveNegatives and their partners – War Child and others – working on informed consent in Lebanon. This partnership has also laid the foundations for an ongoing Arabic translation of the toolkit.

These resources are the continuation of the HIF's established presence in humanitarian innovation, building on the [Humanitarian Innovation Guide \(HIG\)](#) published in 2018. In 2023, we will launch the Humanitarian Innovation Support Library (HISL), consolidating and updating the lessons of the HIG, ensuring the HIF and its partners, grantees and communities are well-equipped to pursue responsible innovation in response to the world's most pressing crises.

Locally-led innovation

As part of the Community-Led Innovation Partnership (CLIP), alongside the Start Network and the Asia Disaster Reduction and Response Network (ADRRN), we're working with partners in Indonesia, the Philippines, Guatemala, and India to develop locally-rooted networks and hubs that support the development of locally-driven solutions to humanitarian problems, identified by people affected by crises.

Through each of the initiatives we provide financial and non-financial support for innovation, including the resourcing of time and space for reflective inquiry, access to appropriate finance for solution development and scaling, facilitation of partnerships and networking opportunities, and other forms of technical and non-technical assistance.

Indonesia: Yakkum Emergency Unit (YEU)

In Indonesia, YEU's IDEASKI innovation lab is focused on disability and the inclusion of older people in humanitarian response. From an initial cohort of 15 projects, four teams were selected for the Growth stage in April 2022 and have received further funding throughout the year, including mentorship and non-financial support by U-INSPIRE Alliance, the Social Innovation Acceleration Program (SIAP) and Suarise.

The Philippines: Center for Disaster Preparedness (CDP)

At a press conference in February, CDP's Pinnovation Academy announced the final 15 projects selected to take part in the programme. The projects are based in the regions of Luzon, Visayas and Mindanao, and address a variety of challenges including emergency transport, communications, soil erosion and flood mitigation, and access to water. Throughout 2022 the teams have been supported to prototype, iterate and test their innovations.

Start Network hub in Guatemala hosted by la Asociación de Servicios Comunitarios de Salud (ASECSA)

ASECSA completed three rapid innovation cycles in the regions of Petén, Alta Verapaz, Retalhuleu, and Baja Verapaz. Their approach carefully centres community dynamics and the indigenous cosmovision in the process, using art installations and other creative approaches to engage communities in the exploration of problems and solutions. In total, 38 projects were identified, with 18 selected for funding. All of them have received support through workshops, training, technical assistance, and capacity strengthening.

India: Sustainable Environment and Ecological Development Society (SEEDS)

Outside of the CLIP, our partnership with SEEDS is supporting five projects focused primarily on climate resilience and the effects of heat waves and cold waves. These projects are exploring both urban and rural challenges, with innovations focused on heat wave resistant housing structures, community-based climate action plans for the urban poor, water conservation through artificial glaciers, and facility centres for transhumant pastoralists.

Learning and events

Yakkum Emergency Unit (YEU) published several reports and papers including, 'Nine Inclusive Disaster Risk Reduction Innovations: Learning from Yogyakarta' and 'The Roles of

the Innovation Hub in Fostering Inclusion in the Community-Led DRR Innovation: Lessons from IDEAKSI'. The CLIP also published a collective discussion paper, '[The Meanings of Humanitarian Innovation: Reflections from the Community-Led Innovation Partnership using a postcolonial lens](#)', which explores questions of decoloniality and knowledge production in the context of humanitarian innovation.

The CLIP has also been represented at numerous national and international forums, including the Global Platform for Disaster Risk Reduction (YEU, May), the South-South Citizenry Based Development Academies (CDP, June), and the Asia-Pacific Ministerial Conference on Disaster Risk Reduction (CDP and YEU, September). In December, the partnership hosted two sessions at Asia Regional Humanitarian Partnerships Week. For ASECSA, the focus has been on working closely with their national network to spread knowledge gained through the innovation cycles with members.

Accelerating the Journey to Scale

Scaling humanitarian innovation remains a critical challenge for the global humanitarian community. Too often, promising innovations fail to gain traction and wider uptake. This means work and resources are wasted, and great ideas do not reach their full potential. With growing humanitarian need and a resource-constrained sector, there is an obligation to generate greater impact from investments in innovation.

Throughout 2022 we continued to support a cohort of five grantees as part of our Accelerating the Journey to Scale work. The innovations we supported included: a low water consumption handwashing station ([Gravit'eau](#)); a large-scale MHPSS intervention ([Self Help+360](#)); a secure and methodical system for forensic documentation of sexual and gender-based violence ([MediCapt](#)); a pay-as-you-cook distribution model of solar cookstove ([ECOCA](#)); and community-based disaster risk reduction system ([DMS-Himalaya](#)). These grantees implemented the scaling strategies and further explored their business models, evidence bases and value propositions as part of our non-financial support. We delivered three cross-cohort, structured non-financial support sessions: designing for deployment (February); marketing and value propositions (June); and scale factors (December). In the final workshop, we focused on facilitating peer-to-peer learning and seeking to draw generalisable lessons, reflecting back on the successes and challenges of each team near complete project. We also sought to connect grantees to opportunities to showcase their innovations through convening at events and engagement with a range of stakeholders where championed innovative solutions. In September we published the third learning paper

in our Scaling Series. [‘How to Scale: Tactics to Enable the Adoption of Humanitarian Innovations’](#). It provides a playbook of tactics for innovators who are aiming to scale through enabling other organisations to adopt their innovations. It is based on ten case studies of successfully scaled humanitarian innovations, with five in-depth case studies. In November, [we hosted a panel discussion webinar](#), contextualising the learning paper within broader scaling theory, and bringing the tactics to life with two presentations by representatives of innovations featured as deep-dive case studies.

FUNDING SNAPSHOT

Journey to scale

Self Help Plus 360: Reducing psychological distress with vulnerable conflict-affected populations

HealthRight International (HRI)

Self Help Plus (SH+) was developed to directly address the limitations of scaling MHPSS interventions, consisting of audio-recorded sessions and illustrated self-help books delivered in large workshops by a minimally trained provider. HRI are scaling SH+ through a consultancy service called SH+360 which supports humanitarian partners and governments to integrate SH+ into their programming. Through their existing scaling partnerships, they have trained more than 50 facilitators and will reach over 3,100 women with SH+ across health, livelihoods, and peacebuilding programming. The findings of this implementation journey to date are documented in [a peer reviewed article](#).

1.4 RESEARCH FOR HEALTH IN HUMANITARIAN CRISES (R2HC)

Our R2HC programme aims to improve health outcomes for people affected by humanitarian crises by strengthening the evidence base for public health interventions.

The R2HC programme has built a unique community across humanitarian public health practice and research. This community represents a wealth of expertise and experience. We work hard to maximise its potential for the humanitarian system by commissioning research and facilitating critical conversations that support the community as it shares knowledge and progresses practice.

Funding and supporting quality health research

A major focus for 2022 was the launch of our ninth annual funding call, which comprised two parallel funding calls for proposals on Strengthening Health Systems and Current and Anticipated Crises. We focused on identifying quality global partnerships with sufficient contextual expertise to enable research to impact on policy and practice. There were 13 studies recommended for funding with strong representation from LMIC-led research teams. The studies will commence in 2023 (see page 30 for further details).

Identifying research gaps and priorities for humanitarian health

The 2015 Humanitarian Health Evidence report was the first report to provide a comprehensive assessment of the evidence base for humanitarian health interventions in LMICs. It formed the baseline for research calls launched through Elrha's R2HC programme. Recognising that a significant body of relevant research has been published since the original analysis was undertaken in 2013, we commissioned the Johns Hopkins Center for Humanitarian Health to conduct a review to document new evidence contributing to the public health evidence base that informs humanitarian decision-making. As such, [the second HHER](#) was commissioned to take stock of changes in humanitarian health research outputs since the establishment of the R2HC, and was launched in 2022

HHER2 assessed evidence for interventions in humanitarian crises within nine thematic areas: communicable disease control; WASH; nutrition; SRH, including GBV; MHPSS; injury and physical rehabilitation; NCDs; health service delivery strategies; and health systems interventions.

The study found that the quantity of published research has increased:

- 269 studies between 2013-2021: crudely, 34 studies per year
- 387 studies between 1980-2013: crudely, 11 studies per year

However, the quality of published research remains variable:

- Half of published studies did not provide enough information to assess quality
- Just over a quarter of studies were considered to have a low risk of bias

Newly collected data reveals that 42% of studies have a lead or last author affiliated with an institution in a LMIC, which we hope signals a shift towards equitable research partnerships, and local leadership in humanitarian health research.

Variation is seen in published research by a) region, b) crisis type, c) affected population. However, more research is needed to understand if research outputs correlate with evidence gaps and are proportionate to the needs of humanitarian practitioners and people affected by crises. While the volume of evidence has grown, we recognise that many barriers remain in the translation of evidence into practice and there is a need for greater investment in implementation and translational research to maximise the benefit of new and existing evidence.

The R2HC has deepened its collaboration with the humanitarian coordination mechanisms and thematic communities of practice by funding research priority setting studies to identify critical questions that, when answered, will improve the humanitarian evidence base. Under the guidance of the IASC Reference Group on MHPSS, the results of a MHPSS research priority setting to cover the next ten years were finalised, with the research priorities documented in a [data visualisation tool](#) and a [report](#).

Responding to an activity included in the humanitarian sector WASH Road Map 2020–2025, a WASH research prioritisation exercise was commissioned in 2021, led by the London School of Hygiene and Tropical Medicine (LSHTM) and Tufts University, and in collaboration with the Global WASH Cluster (GWC). Data collection and preliminary analysis was completed in September 2022. Preliminary results were shared at a GWC event in early October, and the report will be launched in 2023. This work is embedded in our ambitions to increase the public health evidence base for WASH interventions.

Dialogue with the WHO technical lead on NCDs and the informal Technical Working Group on NCDs in humanitarian settings – chaired by United Nations High Commissioner for Refugees (UNHCR) – resulted in us commissioning an NCD research prioritisation exercise.

This seeks to address critical evidence gaps relating to care of people affected by cardio-metabolic syndrome in humanitarian settings. The International Rescue Committee and the American University of Beirut are leading on this project, which started in April 2022 and is due to be completed by the end of 2023.

Findings of our commissioned [Innovation for Sexual Reproductive Health Situation Analysis](#) were shared with the Steering Committee of the Inter-agency Working Group on SRH and with the donor group supporting SRH in emergencies. The study bridges our work in both research and innovation. A concept note for SRH cross-programme initiatives was developed, outlining an approach for a joint SRH research and innovation call once funding has been secured.

Influencing change in international research partnerships

Substantive inputs and a case study learning from R2HC's seed funding were contributed to UK Collaborative on Development Research (UKCDR) equitable partnership good practice guidance – '[Four approaches to supporting equitable research partnerships](#)' launched in September 2022. This was enabled by R2HC's membership of the UKCDR Equitable Partnerships/WHO ESSENCE task force, comprising funders of global health research.

Activities to boost research impact

Capacity strengthening support: We continue to provide tools, resources, and one-to-one support for grantees to deliver impact through research. Support focuses on enabling study teams to produce stakeholder engagement strategies outlining how they will engage policymakers, practitioners, and communities. In 2022, seven study teams participated in virtual impact workshops while three additional peer-learning webinars were provided for grantees. Our online Research Impact Learning Hub (short courses) remains available to study teams and in late 2022 we secured consultants to further develop two additional online courses for grantees, Social Media for Research Communications and Community Engagement in Research Uptake, to be launched in summer 2023.

Promoting evidence use: To enhance access to new evidence for humanitarian policymakers and practitioners, all study teams complete a Research Snapshot when their grant closes. This is a short accessible summary of findings and recommendations targeted at humanitarian audiences. In 2022, 11 new [Research Snapshots](#) were published and promoted widely.

A key focus this year was sharing learning from our COVID-19 cohort of responsive studies, to inform humanitarian policy and practice, moving into the new phase of the pandemic. A webinar, '[How can community needs inform outbreak response in humanitarian settings? Learning from new evidence](#)', saw attendees from a range of humanitarian and research organisations. Teams were also supported to present research at external events, such as those held by the UKCDR/Global Research Collaboration for Infectious Disease Preparedness (GloPID-R) COVID Circle.

Separately, two focused engagements with key stakeholders within the FCDO were convened to promote substantive engagement with our funded research; a briefing for the SRH Hub on two studies related to abortion, and a briefing for NCDs and sub-Saharan Africa health advisers on onchocerciasis-associated epilepsy research, leading to follow-up engagement with both study teams and commitments to utilise forthcoming findings.

RESEARCH SNAPSHOT

Older Syrian Refugees in Lebanon and the COVID-19 Vaccine

American University of Beirut and the Norwegian Refugee Council

This study was unique, capturing five waves of data collection on the needs and experiences of older Syrian refugees during the pandemic. The team found that over 85% of older refugee respondents in Lebanon adhered to COVID-19 preventive measures. Refusal and hesitancy were leading causes for not registering for vaccination. Factors affecting vaccine acceptance include older age, higher education, living outside informal tented settlements, female gender, not perceiving COVID-19 as a serious infection, using social media as a source of information on COVID-19, and perceiving vaccines as unsafe. Vaccination programmes that are culturally sensitive and meet the needs of older Syrian refugees are required.

RESEARCH SNAPSHOT

The Impacts of COVID-19 On Humanitarian Needs

IMPACT Initiatives (IMPACT) with The University of Manchester and Johns Hopkins Bloomberg School of Public Health

This study explored the impact of the pandemic on multi-sectoral humanitarian needs in seven countries: Afghanistan, Ukraine, Bangladesh, Central African Republic, Nigeria, Iraq, and Libya. Findings showed that crisis-affected populations remain at serious risk of exclusion from essential services. The COVID-19 pandemic has exacerbated inequalities in accessing services, as well as pre-existing barriers and underlying vulnerabilities. The secondary and indirect impacts of public health policies have further increased the severity of needs. Humanitarian actors must coordinate responses to increased needs at all levels. The indirect impacts of preventive public health policies on vulnerable groups must be considered in future responses.

RESEARCH SNAPSHOT

Effective pneumococcal vaccination campaigns in displaced populations

London School of Hygiene and Tropical Medicine with Save the Children and Murdoch Children's Research Institute

Pneumococcal pneumonia is a leading cause of child death globally, and routine vaccinations are difficult to deliver in humanitarian settings. This study aims to estimate the effectiveness of pneumococcal conjugate vaccine (PCV), if delivered in a single campaign, to improve child health before routine immunisation services can be restored. The findings indicate that pneumococcal vaccines delivered at high coverage in a single dose one-off campaign to children five-years-old and under can provide substantial protection against pneumococcal disease in displaced populations. Humanitarian actors should consider integrating PCV campaigns for children in this age group into their routine humanitarian response portfolio.

Demonstrating the impact of research and exploring how impact happens

We continue to invest in independent evaluations of research impact. In 2022 we commissioned the development of eight new impact case studies of closed R2HC grants. These are robust evaluation documents, drawing on key informant interviews and validation through external evidence, describing the impact of research on policy and practice, and strategies used to engage stakeholders in evidence use, as well as contextual factors which enabled uptake of research. Three selected highlights of R2HC's 2022 case studies are below and a full executive summary of a fourth is provided on page 29. We will be launching a selection of impact case studies in 2023.

1. **Strengthening urban disaster preparedness:** This R2HC study piloted and tested a tool in three cities across Nigeria, Pakistan, and Brazil, aiming to enable city leaders to improve health system response to disasters. As a direct result of this study, ICRC (the operational partner) has secured funding to pilot the evidence-based tool in three further cities, this time in Nigeria, Pakistan, and Lebanon. The study influenced strategic thinking, allowing "clear impactful linkages between purely humanitarian work with development-oriented and systems-oriented work" (ICRC senior programmes stakeholder).
2. **Cholera interventions:** A Tufts University-led study that conducted lab-testing and field-evaluations of commonly used interventions for reducing the spread of cholera was found to have influenced knowledge and understanding of actors in the WHO Global Task Force on Cholera Control. A Task Force spokesperson called the research "highly relevant and contribut[ing] to filling a critical knowledge gap for cholera control," and a spokesperson from the GWC stated the research was "timely and useful for our work".
3. **Combating COVID-19 misinformation:** This study directly informed the humanitarian response to COVID-19 in Burkina Faso, and improved knowledge and supported behavioural change for community members, humanitarian experts and policymakers including UNHCR and the Ministry of Health. Findings "directly informed the activities of humanitarian and other media actors in delivering information on containing the coronavirus" (UN OCHA stakeholder in Burkina Faso).

IMPACT SNAPSHOT

Addressing the 'access' and 'scale' challenge: effectiveness of a new WHO guided psychosocial self-help programme (SH+)

World Health Organisation with Johns Hopkins University,
Health Right International (HRI)

The evidence indicates that the research team and outputs from the study led to significant humanitarian policy and practice guidance with wide uptake reported in Uganda and globally. This study was a foundational building block for the globally recognised, WHO-endorsed and widely used manual, ['Doing what matters in times of stress: an illustrated guide'](#). Following study implementation, and now officially adopted as guidance by WHO, the SH+ manual has since been translated into more than 24 languages and adapted for use in global humanitarian crises, including the ongoing Ukrainian response.

In 2022 SH+ was listed as one the world's top three most used innovations by the [Mental Health Innovation Network](#). With significant attributable impacts in the study context and beyond, SH+ has been [recognised by external experts](#) as having "taken global mental health to a new and hopeful place." The study was a critical stepping-stone towards this impact for people and communities affected by crisis as one of the essential trials required for WHO adoption and promotion.

R2HC NINTH ANNUAL FUNDING CALL

13 new studies to address neglected health topics in high severity crisis settings

We launched a research funding call in February, with streams focusing on health system strengthening and current or anticipated crises in response to identified evidence gaps. We received our highest ever number of applications for an annual funding call. Uniquely, a majority (51%) of applicants were based in LMICs. Thirteen proposals were recommended for funding after our September Funding Committee meeting.

Funded studies will focus on:

- Neglected research topics in humanitarian settings, including cash programming, measles epidemics, onchocerciasis and epilepsy, and cardiovascular disease.
- Six of these will focus specifically on issues affecting women and girls, including on gender-based violence, abortion care services, and other aspects of SRH. A further four will focus particularly on conditions affecting children, including malnutrition and paediatric surgery.
- Settings in which research will be conducted include highly neglected settings (Chad, Central African Republic, Mali) and significant ongoing humanitarian emergencies (Afghanistan, Ethiopia, Myanmar).
- Studies will take place in Very High (69%) and High (31%) severity crisis settings according to the current ACAPS index.

Our framing of these two funding calls reflected two priorities: the need for research to have strong pathways to uptake and impact, and our commitment for ownership and input into research from experts with local/contextual expertise. The practical challenges of delivering quality, impactful research within a shorter timeframe of 18 months was also a critical consideration. Significant changes to the funding call design and application processes were made to reflect these priorities, influenced by work which investigated our portfolio diversity through a 'decolonisation lens' (see related [article](#)), and our learning paper on humanitarian evidence use in '[From knowing to doing: evidence use in the humanitarian sector](#)'. These efforts have delivered strong LMIC representation in the grants awarded and demonstrate demand for the research findings and outputs from policy and practice partners in the relevant settings.

1.5 THE GLOBAL PRIORITISATION EXERCISE (GPE) FOR HUMANITARIAN RESEARCH AND INNOVATION

Our vision is that outcomes for people affected by humanitarian crises are dramatically improved by transforming the humanitarian system's ability to target global research and innovation capabilities and resources at the most pressing problems.

We launched the GPE in March, with a digital-first communications strategy that sought to engage key stakeholders through media, newsletters, and social media. We laid out plans for our first phase of the initiative, which included a global mapping exercise to identify humanitarian research and innovation actors, as well as outputs and investments that have been undertaken in the last five years.

As part of our launch activities, we shared initial findings from this exercise at a panel discussion at the Humanitarian Networks and Partnerships Weeks (HNPW) in May, which was attended both virtually and in person by professionals from the academic, humanitarian and donor communities. The panel discussed how well research and innovation are currently financed, and they explored challenges and opportunities to strengthen the contributions of research and innovations to the humanitarian community.

We know research and innovation plays a crucial role in informing an impactful humanitarian response, however, our recent [funding flows analysis](#) revealed that global spending on research and innovation remains low, with a lack of coordination in aligning funding to the most pressing issues. To address these challenges, we launched a series of consultations with a diverse range of stakeholders, including humanitarian practitioners, and research and innovation actors and funders working at the global, regional, national and community levels. These consultations will identify challenges within the system and create opportunities for positive change.

In 2022, we supported the Netherlands Ministry of Foreign Affairs and the UK Foreign, Commonwealth & Development Office in convening a donor roundtable on *Understanding and measuring the impact of humanitarian innovation investments for crisis affected communities*. The group will continue meeting in 2023 to discuss sustainable coordination mechanisms, and solutions for humanitarian research and innovation issues and investments.

We also utilised strategic events and opportunities to raise our profile and network with key stakeholder communities. Examples of these opportunities included the Global Cluster Annual Meeting, and the Grand Challenges Meeting in Brussels in October.

In 2023, we will publish a case study on the role of research and innovation in the current humanitarian response to the Ukraine crisis, as well as a mapping of the existing approaches for measuring the value for money and return on investment of innovation spending with a proposed approach that the system can use.

We are planning for more engagement opportunities next year including hosting a panel discussion on consultation findings at HNPW in April 2023, and will work with regional partners to launch and support the uptake of the regional consultations.

GPE Reference Group

We continued to expand our GPE [Reference Group](#). The Reference Group is chaired by Mark Bowden, independent consultant and Senior Research Associate at the Humanitarian Policy Group, Overseas Development Institute (ODI).

Members of the Reference Group represent a wide variety of humanitarian organisations, such as UNHCR, UNICEF, World Vision International, ALNAP, NEAR, START Network, Action Aid, WFP, Save the Children, Grand Challenges Canada, and academic institutions. The Reference Group continue to meet regularly to provide expert advice and counsel to ensure the success of the GPE.

Synthesis exercise

Elrha will conduct a synthesis exercise that will critically analyse the findings from all the GPE consultations to identify and mainstream the challenges faced by the humanitarian research and innovation ecosystem. The synthesis report will reflect on the performance of the system in different regions globally. Elrha will also commission researchers to provide sets of regional priorities that require research and innovation funding and attention.

1.6 THE UK HUMANITARIAN INNOVATION HUB

Since 2020, Elrha has been the host organisation for the UK Humanitarian Innovation Hub (UKHIH). UKHIH is a FCDO-funded mechanism that aims to promote and support strategic and focused collaborations across government, science, private and humanitarian actors to drive urgently needed innovations and technologies in humanitarian responses to disasters and conflict.

Accelerated Innovation Collaboration

UKHIH funds and facilitates Accelerated Innovation Collaborations (AICs), convening research, operational, and innovation partners, to explore and develop solutions for key humanitarian innovation challenges.

Between 2021–2022, UKHIH focused on funding three thematic AICs:

1. Satellite technology for humanitarian decision-making

Beyond Borders aims to raise awareness of the gaps in the use of satellites and explore future opportunities for expanding access to and adoption of satellite technology in humanitarian responses. In 2022, Beyond Borders published a [map of the current landscape of humanitarian satellite applications](#) and the challenges to their further use in crisis situations.

2. Technology to strengthen humanitarian surgical capacity

The Humanitarian Surgery Initiative (HSI) aims to examine the [contribution of technology and data-driven evidence](#) in building humanitarian surgical capacity, resilience, and preparedness in low resource settings through the development of a sustainable model for the delivery of training, knowledge exchange, data management and evidence-based research.

3. Collective crisis intelligence for frontline responders

The collective crisis intelligence (CCI) project works with people and communities at a local level to [develop tools that combine Artificial Intelligence \(AI\) and data](#) from crisis-affected communities to find solutions to humanitarian challenges. The project, which ran from April 2021 until June 2022, prototyped tools in Nepal and Cameroon to generate new insights for frontline humanitarian response.

A fourth thematic area, **vaccine delivery in humanitarian settings**, has also been identified as a priority for developing an AIC. Work during 2022 was centred in building the most effective approach and partnership to address the challenges in this area, particularly learning from ongoing global events. Launching in 2023, this project aims to generate new evidence on the dynamics of community engagement and establish a global community of evidence and practice around community engagement for vaccination in humanitarian settings.

Each AIC supports research fellows from low- and middle-income (LMIC) countries. Across the three AICs funded in 2021–2022, there are nine LMIC research fellows, who provide key national and regional insight for the development of the projects, alongside pursuing their own research interests.

Rapid Response Initiative

In addition to supporting the implementation of AICs with long-term impact potential, UKHIH has launched a rapid response workstream, instigating and funding real-time research, convening and communications processes that respond to major new crises. In a similar manner to the AICs, responsive work also draws on cross-sector experts, convening workshops and facilitating discussions to identify key challenges and innovative solutions to emerging humanitarian issues.

Rapid response studies in 2022 have focused on the emerging humanitarian priorities in Ukraine, the humanitarian [response to the floods in Pakistan](#), and exploring the [adaptation of aid delivery in Afghanistan](#).

FUNDING SNAPSHOT

Enabling the local response: Emerging Humanitarian Priorities in Ukraine

Humanitarian Outcomes

Supported by UKHIIH, Humanitarian Outcomes conducted a rapid review on the humanitarian response to Ukraine in the initial stages of the crisis. Through interviews with national and international humanitarian aid groups and donor governments, the review produced a snapshot of the first three months of the crisis and emerging humanitarian challenges.

The published report identified urgent areas for action for how the global humanitarian system can better complement, support, and add value to the humanitarian response being led by the Ukrainian civil society.

The report raised global awareness of the need for governments and international aid agencies to focus their support on the rapidly mobilising Ukrainian civil society. The report evidenced that Ukrainian response organisations lacked enough resources to offer humanitarian aid for the millions of people internally displaced by the conflict. It also called on greater training and equipment for Ukrainian humanitarian responders working in high-risk conflict areas, while drawing attention to the need for Ukrainian civil society to maintain a neutral stance and to find principled ways to reach people in need in Russian-controlled areas.

1.7 OUR PLANS FOR FUTURE PERIODS

In 2023 we will launch our new long-term strategy which will set the direction of travel for Elrha until 2040. This strategy brings a new ambition for Elrha, building on our position as a leading actor in humanitarian research and innovation, and uses our learning, expertise, and our global networks to address critical humanitarian challenges and drive for a more effective, inclusive, and impactful system. It also includes our newly defined Values that have been carefully developed by staff to define how we will work – the culture, attitudes, and behaviours of the organisation we want to be.

Our new long-term strategy will see us continue to work collaboratively with humanitarian actors, governments, the research, and innovation communities, alongside people affected by crises, to support the emergence of a collective vision for humanitarian research and innovation, and to contribute to the development of new systems and approaches that can increase the impact of our collective actions. We will continue our work as a responsible funder in the humanitarian system, and use our available funding, our expertise, and collaboration with our unique networks to create long-term research and innovation collaborations that bring about lasting solutions to critical humanitarian challenges.

We will continue to invest in our learning and communications around our impact, better telling the story of the change we make in the sector and for people affected by crises.

We will further develop our work to diversify our funding partnerships and ensure the sustainability and broader reach of our work.

Our long-term strategy will be supported by a three-year plan, beginning in 2023, that will set out how we will progress our work across the organisation to deliver on the first phase of our 2040 ambition.

In 2023, as well as launching the new strategy, we will work to embed our new Values in the organisation, and we share our three long-term commitments that will define the way we want to work with others and the culture we want to support as a place of work. These commitments include: further developing our actions to becoming an anti-racist organisation; signing up to the Climate Charter and committing to taking actions to becoming a climate and environmentally responsible organisation; and taking actions across our work to 'shift the power' and address inequities and exclusion within the international humanitarian research and innovation system.

2. FINANCIAL REVIEW

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and the second edition of *Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)*, published in October 2019.

The financial overview for 2022 is set out in the Statement of Financial Activities on page 62.

2.1 FINANCIAL ACTIVITIES

2.1.1 INCOME

Total income in the year was stable when compared to the prior year, increasing marginally by 2.5% to £9.6m (2021: £9.4m), of which over 99.99% was restricted (2020: 99.7%). Income received in the form of grants from institutional donors includes the UK Foreign, Commonwealth and Development Office (FCDO), the Netherlands Ministry of Foreign Affairs (NL MFA), the National Institute for Health Research (NIHR) and the Norwegian Ministry of Foreign Affairs. Elrha also received income from the Wellcome Trust, in the form of a grant.

As all restricted income is recognised on a performance basis, the specific amount recognised is determined by expenditure on the relevant charitable activities.

One unrestricted donation of £5 was received during the year (2021: £22), no other unrestricted income was generated during the year (2021: £4k). No gifts in kind were received during 2022 (2021: £28k).

2.1.2 EXPENDITURE

Total expenditure remained consistent with the previous year at £9.4m (2021: £9.5m), as did the main cost category in Elrha's activities – grant disbursement (65% of total spent), which stands at £6.1m (2021: £6.1m). Direct activity costs in 2022 also remained at consistent levels to 2021 (2022: £2.1m; 2021: £2.0m), representing a percentage of the total expenditure of 22% (2021: 22%).

The overall level of expenditure was affected by delays in funding decisions by our donors against specific activities, particularly grant-making, which resulted in no new grant commitments during 2022, which were postponed to early 2023.

Humanitarian Innovation Fund (HIF) expenditure

Total spend by the HIF programme constituted 57% of Elrha's total spend in 2022, with expenditure in 2022 higher than the previous year, increasing by 50% to £5.4m (2021: £3.6m). There are two main factors for this significant overall increase in the HIF programme:

1. Low level of activity and expenditure in 2021 due to the uncertainty surrounding the reduction in the 2021/22 annual budget from FCDO. The funding from FCDO was confirmed with activity planning starting in late 2021, with expenditure materialising in 2022, particularly in grant-making activities.
2. Increased level of activity in 2022 after FCDO confirmed a higher budget (an additional £1.5m) for their 2022/23 financial year.

These two factors also explain the higher level of grant spend, at £3.8m (2021: £1.9m). As grantees were requested to suspend any significant investment until the last quarter of 2021, payment requests received in early 2022 included high-value costs. This was compounded with accelerated project activities to recover from the slow pace in 2021, and therefore further interim payments taking place during this year.

Reductions to staffing and direct non-grant making activities fell during the year by £215k (21%), from £1 million spent in 2021 down to £830k this year. This difference was primarily due to the decrease in the number of staff working in the HIF team by the last quarter of 2021 as a result of the team's restructure to accommodate the 2021 reduction in FCDO funding.

Research for Health in Humanitarian Crises (R2HC) expenditure

Total spend by the R2HC programme fell by 43% during 2022 to £2.5m (2021: £4.5m) directly attributable to a fall in grant spend, from £3.6m in 2021 to £1.7m in 2022. This reduction is the result of funding cycles not starting at the same time of the year, every year, together with a longer-than 12 months period between the first and the second payment. As such, during 2022:

- (a) there were a lower number of active grants in the R2HC portfolio as the funding cycle for the Covid Rapid Response grant finished in 2021
- (b) no new cohort of grants was launched due to delays in donor funding decisions, and therefore no first payments were disbursed during this year (which normally cover the highest amount in the life of the funding award)
- (c) grant payments corresponded to interim payments, and not all awards active during the year would have received one as many received their first payment in late 2021

Expenditure related to non-grant making activities undertaken directly and support costs remained consistent, with the levels reported in the previous year at £574k and £284k respectively (2021: £542k and £270k).

Global Prioritisation Exercise (GPE) and the UK Humanitarian Innovation Hub (UKHIH) expenditure

Spend on the GPE totalled £490k, an 79% increase from last year (2021: £274k) driven by the delivery of mid-term milestones in several research studies that constitute the core activities of this programme. Subsequently, staffing and support costs have also increased during this period. Further details on the GPE activities are provided in Section 1.5 (page 31).

The UKHIH spent a total of £1.0m (2021: £1.0m) during 2022, including £646k on grants to other organisations, in line with the amount spent last year (2021: £600k). In 2022, the UKHIH increased its level of non-grant making activities, with a 26% increase expenditure in this area (2022: £267k; 2021: £212k), as explained in more detail in Section 1.6 (page 33).

Operational support costs

Elrha's operational support costs, with an annual value of £1.25m (2021: £1.31m), include spending items that are related to:

- governance and ensuring internal and external compliance with policies and regulations

- organisation-wide management, facilitating the smooth running of day-to-day activities and ensuring the decision-making is based on accurate information and the efficient and charitable use of our resources
- essential infrastructure, including management of premises and facilities, Information Technology (IT) services, and corporate communication
- employment costs not directly attributable to our programmes

After the adjustments made last year, the total spend in our operational support costs remain at a similar total amount as in 2021, although they represented an improved percentage of the overall total organisational spend, at 13.3% (2021: 13.9%).

2.2 RESERVES AND FINANCIAL POSITION

Our total reserves as of 31 December 2022 were £471k (2021: £276k), of which £232k relates to restricted funds (2021: £37k), which means Elrha's restricted reserves increased by £195k in 2022. There were no designated reserves.

In order to commit the maximum possible resource to further our charitable objectives, it is Elrha's policy to retain sufficient reserves to safeguard the continuity of operations, when there is a temporary loss of income or to achieve an orderly wind-down if continuation is not possible. As per the Delegation of Authority, any use of Elrha's reserves must be approved by the Chair of the Board of Trustees or the Board Treasurer.

The Trustees are confident that future incoming resources to the charity will be adequate to support the continuation of existing projects and activities, as well as to meet other needs that may arise under reasonably possible downside scenarios, for at least 12 months following the approval of this report. Accordingly, Elrha continues to adopt the 'going concern' basis in preparing the financial statements.

The Trustees are also taking steps to seek and secure additional funding, from both current and new sources of income, with a view to protect Elrha's sustainability in the longer-term future.

Investments

Elrha held no investments during the period.

2.3 PRINCIPAL RISKS AND UNCERTAINTIES

The major risks to which Elrha is exposed have been identified by the executive management team and reviewed by the Board of Trustees as part of the annual risk review process. Appropriate systems and procedures are in place to manage these risks and provide reasonable but not absolute assurance against occurrence.

Funding risks:

Elrha continues to be reliant on a small number of donors who provide a high proportion of our income, namely the UK Foreign, Commonwealth, and Development Office (FCDO) and the Netherlands Ministry of Foreign Affairs (NL MFA). Combined, they contributed 88% of Elrha's income in 2022. This limited donor portfolio constitutes the main risks Elrha faces as experienced in 2021.

Even though Elrha is in a slightly more secure position after FCDO extended their funding until March 2025 for the HIF and GPE programmes, and the UKHIF activities, we continue to be very vulnerable to donor policy changes and/or cuts in the ODA funding, with limited resilience to offset funding shocks with income from other sources of funding.

Our mitigation strategy is two-fold: consolidate the relationship and engagement with current donors, particularly FCDO and the NL MFA, to ensure alignment of interest; and seeking donor portfolio diversification, identifying priority prospective donors, and establishing well-defined donor engagement plans. Building momentum, synergies and partnership around the new strategy are core elements in both areas of fundraising actions.

This business development strategy is complemented with a conservative approach towards budget setting, which only takes into consideration already contracted funding or very likely new awards. This cautious approach is also applied in avoiding new commitments if a relevant source of funding has not been secured. Although reducing funding committed under ongoing grants would always be a last resort, we ensure that terms in grant agreements allows for such reduction (mirroring similar terms from our donors), so that we can flexibly respond to any changes in our funding portfolio.

People management risks:

During 2022 we saw a high staff turnover across various teams in Elrha, as further explained in Section 3.10.4 (page 54), with 12 staff members resigning to move to other organisations. There is a risk that if this high turnover of staff continues in 2023, particularly in one of our main programmes, and impacts the delivery of programme activities and organisational projects, or pressurises other team members' workloads, it might lead to further resignations. High turnovers also result in high volume of unplanned recruitment processes, effecting the capacity of the HR team to manage other team activities.

While the motives for resignation during 2022 were very varied across the group, they generally were not related to a discontent with Elrha but seeking an opportunity for career development elsewhere. However, we are committed to improve our staff retention rates through providing targeted support to those teams with higher changes in staff and improving the experience of new employees (e.g., identifying areas for improvement in onboarding and induction processes, across the organisation). We will also be strengthening our job descriptions and job adverts, so they are 'fit-for-purpose' to the needs of the role, and current and prospective employees have a clearer understanding of the job's objectives.

3. STRUCTURE, GOVERNANCE AND MANAGEMENT

3.1 LEGAL AND ADMINISTRATIVE INFORMATION

Elrha is registered at 1 St. John's Lane, London EC1M 4AR under the laws of England and Wales as both a private limited company by guarantee (11142219) and a charity (11771110). A second office is located at 8 Cathedral Road, Cardiff, CF11 9LJ.

The charity was incorporated on 10 January 2018, although its activities had commenced in 2009, hosted by Save the Children Fund. At time of incorporation, the related assets were transferred to the separate legal entity on 1 May 2018 for nil consideration. The sole member of Elrha is the Save the Children Fund, of which Elrha therefore acts as a wholly owned subsidiary.

Under Elrha's Articles of Association, dated at incorporation, certain decisions are reserved for the Member. These include, but are not limited to:

- i) any changes to the Articles of Association,
- ii) any alteration to the Charity name or registered office,
- iii) any structural change to the organisation e.g., setting up of subsidiaries mergers, sales, disposals, and liquidations, and
- iv) the appointment and removal of all Trustees.

Trustees

The following individuals were members of the [Board of Trustees](#) (and also Directors of Elrha for company law purposes), at the date on which the financial statements were approved and during the year:

- Margie Buchanan-Smith (Chair)
- Andrew Toby Smith (Deputy Chair, appointed as Deputy Chair on 6 March 2023)
- Andrew Shellard (Treasurer)
- Andy Katz
- Ebrima Saidy
- Dr. Jane Cocking OBE (appointed as Trustee on 24 February 2023)
- Karen Twining Fooks
- Dr. Marta Tufet Bayona
- Rhea Tariq (appointed as Trustee on 24 February 2023)
- Wendy Fenton (Deputy Chair, resigned as Trustee on 7 March 2023).

Directors group

Day-to-day management of the charity is delegated by the Trustees to Elrha’s Directors Group. As at the date of approval of this report and during the year, the members of the Directors Group were:

- Jessica Camburn – Chief Executive Officer
- Thaïs Méndez de Andés Aldama – Director of Finance and Operations
- Jean McLean – Director of Policy Engagement and Communications (until 22 March 2022)
- Colette Fearon – Director of Impact and Engagement (from 13 June 2022)

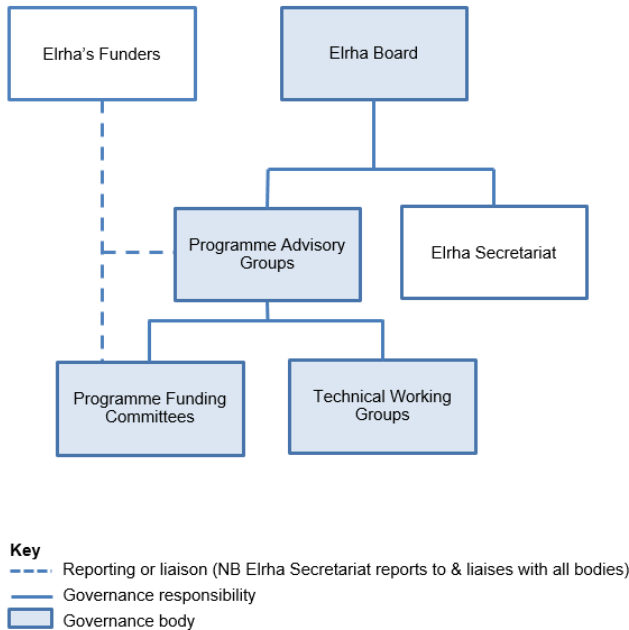
External auditor

Auditor: KPMG LLP, 15 Canada Square, London E14 5GL

Bankers: National Westminster Bank, PO Box 83, Tavistock House, Tavistock Square, London WC1H 9NA

Legal advisors: Dechert LLP, 160 Queen Victoria Street, London EC4V 4QQ

3.2 GOVERNANCE



3.2.1 BOARD OF TRUSTEES

As indicated above, Elrha is a limited company, and all Trustees are also full Directors of Elrha for company law purposes.

Trustees, all of whom are non-executive, have been drawn from diverse backgrounds in business and professional life, and bring a broad range of experience and skills to Board deliberations. The Trustees have been appointed in accordance with the provisions of the Articles of Association for Elrha. Trustees are recruited through open and competitive processes (except for one trustee appointed by Save the Children), against relevant skills and experience identified by the existing Trustees as needed for the Board to perform their duties.

All Trustees have received a full induction, including meeting with members of the Directors Group, aiming at getting familiar with their statutory responsibilities, their role as Board members, the governance framework within Elrha, Elrha's work, and the risk environment. Ongoing training is arranged as and when a need is identified.

There are clear distinctions between the role of the Board and the Directors Group, to which day-to-day management is delegated. The principles of 'management proposes' / 'Board decides'; 'management implements' / 'Board monitors' form the basis of the Board and executive management team interaction. Items such as Elrha's policies, strategic annual plan, budget and risk assessments are prepared by the Directors Group for consideration and approved by the Trustees. The members of the Board cannot, under the governance regulations of the charity, receive remuneration for services to Elrha and may only be reimbursed for incidental expenses claimed.

As part of the annual governance review, an analysis of Elrha's governance practices against the Charity Governance Code takes place, and the Board carries out an informal self-assessment, wherein the Chair of the Board meets with each individual Trustee and writes up a report identifying areas of strength and improvement in the functioning of the Board.

As per the Board's terms of reference, Trustees met four times in 2022.

Board attendance was as follows:

Name	Meetings
Margie Buchanan-Smith (chair)	4/4
Wendy Fenton (deputy chair)	3/4

Name	Meetings
Andrew Shellard (treasurer)	3/4
Andy Katz	3/4
Andrew Toby Smith	4/4
Karen Twining Fooks	4/4
Ebrima Saidy	4/4
Marta Tufet Bayona	2/4

3.2.2 BOARD COMMITTEES

In March 2022 the Board decided to set up an *ad hoc* committee, Strategy Development Committee (SDC), to provide strategic support to Elrha’s management with the development of Elrha’s new Strategy (2023-2040). The SDC met once in 2022 and reported its recommendations to the Board. The Board has continued to provide the strategic lead for this process throughout 2022.

The Board also agreed to set up the Risk & Audit Committee (RAC) as a permanent committee to review and provide advice to the Board on the adequacy of Elrha’s strategic processes for risk management and their implementation. Additionally, the RAC, after review and consideration, recommends to the Board whether to approve the Annual Report and Accounts. This committee has yet to meet officially.

3.2.3 OTHER BODIES IN GOVERNANCE FRAMEWORK

Each governing body described below has a clear term of reference that sets out their roles and responsibilities. It also sets out the process to avoid and manage potential conflict of interests, ensuring that the bodies uphold the highest standards of transparency and accountability.

Programme Advisory Groups

The HIF and R2HC Advisory Groups advise Elrha on the strategic direction of our grant-making programmes. These groups provide advice to the programme teams and make recommendations regarding programmatic priorities, set the direction and framework for grant-making, and are involved in the selection of Funding Committee members. The chairs of the Advisory Groups report to the Elrha Board on an annual basis.

Programme Funding Committees

The function of our two Funding Committees, one for HIF and one for R2HC, is to provide independent assessment and recommendation of funding decisions. The chairs of the Funding Committees report to their respective Advisory Group.

Technical Working Groups

The Technical Working Groups provide a greater depth of technical expertise for the focus areas on our HIF programme. The chairs of the Technical Working Groups report to the HIF Advisory Group.

Our HIF Technical Working Groups for 2022 were in WASH, GBV, and DOAI.

Our Funders

Our programme funders retain the ability to veto the funding of a particular proposal before a final decision is made to grant restricted funds to a third party. However, programme funders cannot require that a third party receive a grant, and any final decision on whether a grant should be made remains with Elrha.

In addition, Elrha's funders may have observer status on the advisory groups and/or funding committees. This may be an ad-hoc or a regular arrangement and is agreed on a case-by-case basis.

3.2.4 THE CHARITY GOVERNANCE CODE

Elrha seeks to apply the Charity Governance Code as its standard for good governance. Following the completion of a review of governance practices against the code as at the end of 2021, the Board approved an action plan for 2022 to address key areas identified for improvement. The planned actions focussed on:

- Strengthening Board involvement in strategic planning, through the setup of the Strategy Development Committee (SDC) in March 2022 to guide the development of Elrha's new Strategy.
- Strengthening the oversight on risk and audit processes, with the establishment in March 2022 of the Risk and Audit Committee (RAC), a permanent committee of the Board responsible for ensuring Elrha's strategic processes for risk management are fit-for-purpose and adequately implemented. The development of new Risk Management Framework was also started in 2022 and the RAC will support its implementation in 2023. Greater visibility for monitoring progress against organisational priorities in management's quarterly reports to the Board.

- Strengthening key policies, specifically Delegations of Authority (DOA) and staff rewards. A new DOA was approved by the Board in March 2023. A new organisation salary structure was developed and published in 2022 and new salary progression principles were approved by the Board in March 2023 and applied to the annual salary increase for April 2023.
- Reviewing skills/expertise gaps on the Board and recruitment of two additional trustees, which took place between November and December 2022 through an open and competitive process. The two new trustees joined their first Board meeting in March 2023.

3.3 TRUSTEES' RESPONSIBILITIES

Statement of Trustees' responsibilities in respect of the Trustees' Annual Report and the financial statements

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law they are required to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the income and expenditure for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the charitable company or to cease operations or have no realistic alternative but to do so.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charitable company and to prevent and detect fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

3.4 EXTERNAL AUDITOR

KPMG LLP have expressed their willingness to continue to act as auditors. A resolution to reappoint them, under section 485 of the Companies Act 2006, is pending shareholder approval.

3.5 PUBLIC BENEFIT

Trustees have a duty to develop strategic plans to ensure that Elrha provide public benefit and achieve the charitable objectives as set out in our governing document. These objectives include the relief of hardship in cases of war, natural disaster, or catastrophe anywhere in the world; the promotion of education and training, and of research for the public benefit concerning these matters; and making publicly available the results of such research. These objectives fall under the purposes defined by the Charities Act 2011. We have referred to the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

3.6 POLITICAL DONATIONS

No political donations were made during the period.

3.7 FUNDRAISING ACTIVITIES

Elrha's fundraising activities are currently limited to institutional donors and trusts, as well as occasional consultancy work for peer organisations. Elrha does not engage in fundraising from members of the public.

3.8 GRANT MAKING PROCESS

Elrha designs its grant-making funding calls to ensure maximum contribution from any funded project to its strategic aims. Any registered legal entity may apply for grant funding from one of Elrha's programmes, although particular funding calls may have additional eligibility requirements, depending on the nature of the challenge being set or other needs.

Proposals submitted to Elrha go through the following process:

- 1) Elrha staff screen the proposal to ensure it is eligible for funding. In addition, for some funding calls, expressions of interest are short-listed by the Funding Committee, with successful applicants being asked to submit a full proposal.

- 2) Proposals that pass the screening/short-listing stage are reviewed technically by:
 - a. At least two independent technical reviewers with subject area expertise
 - b. Elrha staff, who will review the proposal budget

Comments from these reviews are passed to the Funding Committee for consideration alongside the proposal.

The Funding Committee has the authority to make funding recommendations up to the amounts agreed in the budget. For the R2HC programme, these recommendations are then agreed by the donors.

Once the Funding Committee has made a decision on the quality of a project, the applicant organisation is subjected to Elrha's due diligence process, which is an integral part of Elrha's risk management and part of our established Mandatory Operating Procedures. As part of our due diligence process, implementing organisations and key staff members for the project or study are vetted against sanctions, anti-terrorism, and other international risk monitoring lists. The policies of the lead organisation are checked against our safeguarding and financial control principles to ensure they are of sufficient quality. Elrha then weighs the risk of granting to the lead organisation, and only when Elrha is comfortable that risks are within its appetite, or that sufficient mitigations have been put in place to achieve this, will a grant be confirmed.

3.9 SAFEGUARDING AND ETHICAL BEHAVIOUR

Maintaining the safety and protection of those we work with and our staff is highly important across Elrha. This includes staff, governance groups, grantees, and the people our grantees work with. We have a zero-tolerance approach towards all forms of unethical behaviour, including bribery, facilitation payments, tax evasion and money laundering.

Criminal record checks are completed for all staff and trustees, and more enhanced checks are performed following a risk-based approach. As part of our due diligence process for grantees, we review their safeguarding policies to make sure they are in line with our policies.

We have an Incident Prevention and Management Policy – with a wide definition of vulnerable groups – and Codes of Conduct. These policies set out the standards of behaviour expected from all staff, trustees, grantees, and all others that we work with, particularly in relation to safeguarding. R2HC research studies are subject to review by an Institutional Review Board (IRB) to ensure they achieve recognised ethical approval before research is funded.

We have an incident reporting mechanism and are committed to investigating any potential breaches of our policies, whether within Elrha or the projects and studies we fund. All complaints are investigated, following established investigation guidelines, and should internal breaches be substantiated, disciplinary action would be taken, up to and including dismissal. With our grantees, substantiated breaches may result in us withdrawing funding and any other support.

We are committed to openness, and to keeping our donors informed of any complaints and the progress of any investigations. We are also committed to inform and work with our regulators and any relevant law enforcement agency where the complaint warrants this.

While we believe that our systems are effective, we are committed to their ongoing review and development. We will continue to identify and implement measures that will enhance policy and practice to ensure our standards meet or exceed best practice in the sector.

3.10 STAFF ENGAGEMENT AND WELLBEING

Our 2022 staff engagement survey once again demonstrated that our staff are experiencing good relationships with line management, feel that achievements are recognised, and that they can grow and develop in response to constructive feedback.

The survey results demonstrate that staff are fully committed to the difference that Elrha is making in the world, and clear about how their work contributes to Elrha's goals overall.

Our staff enjoy good working relationships with team members and these feelings of connection and belonging have been reinforced this year with more opportunities to meet in person. With new 'remote first' principles in place to support flexible working, our staff can balance their place of work between home and office base according to their own needs.

Our staff survey shows that good work life balance is practiced and promoted, and our staff feel their wellbeing is positively supported at Elrha. We continue to offer internal activities and resources to support good mental health, resilience and connection with colleagues, and our staff can access wellbeing support through an established Employee Assistance Programme (EAP).

3.10.1 EQUALITY, DIVERSITY AND INCLUSION

Elrha is an equal opportunities employer, as reflected in our HR policies and practices, which are underpinned by the Equity, Diversity & Inclusion (EDI) principles approved by our Board in 2021 and the provisions of the Equality Act 2010.

We see our inclusion principles as interdependent with staff engagement and wellbeing. Kindness and fairness are embedded into our culture. We champion employee wellbeing, recognition and appreciation, and make sure our supportive and flexible working environment keeps staff connected, motivated and well informed.

We are committed to creating an inclusive and supportive working environment, free from discrimination, harassment, and victimisation. We promote and provide equal opportunities and respect diversity. These commitments are formally captured in our EDI principles, which are reflected in our policies and procedures, as well as further developed in the EDI annual action plan.

With recruitment, our ambition continues to be increasing the diversity of our staff to better represent and reflect the people and communities we support. Positive steps have been taken in achieving this goal, including using a wide range of recruitment websites and platforms to ensure a broad pool of candidates, as well as adding a notice on our job advertisements to encourage applicants from a wider range of backgrounds. We recruit and promote staff on merit and continue to seek more internal routes to staff progression and succession planning.

3.10.2 ANTI-RACISM

Anti-racism commitment – annual update

Elrha wants to be an anti-racist organisation. Racism has no place in the international aid and research system. We know that racism is systemically embedded in global aid culture and structures, and we recognise that as part of that system our work could be part of the problem.

Elrha has benefited from a staff-led Anti-Racist Working Group (ARWG) that was created in 2020 to provide a space and structure for discussing racism and developing anti-racist practice. In November 2020 we first published our [Statement on Anti-Racism](#) where we made six core commitments:

- We will be an anti-racist employer and workplace
- We will collaborate with the sector and our partners to promote an anti-racism approach
- We will consider how our work in research and innovation can support an anti-racism agenda
- We will weave anti-racism into the fabric of our brand and communications
- We will nurture an environment of listening, learning and unlearning racism
- We will develop clear and specific next steps through our detailed action plan to make anti-racism a core and sustainable part of our ethos and work

In 2022 we carried out a review of our progress against the commitments during the period November 2020 to May 2022, and [published an update](#) – signed off by the Board of Trustees – to ensure ongoing accountability

During the development of our new strategy, we applied an anti-racist lens throughout. As we embark on implementation from 2023, anti-racism will become one of three long-term commitments Elrha will make alongside 'shifting the power' and 'becoming climate and environmentally responsible' – these core commitments will guide the development of our practice. The anti-racism commitment will be championed by our Chief Executive and monitoring our progress will remain a priority of our Board of Trustees.

Moving forward, the accountability for Elrha being/becoming an anti-racist organisation is with the Leadership Team. The staff-led ARWG will continue to be based on voluntary participation. By taking on ownership of the commitment, the Leadership Team intend to

ensure that consideration of anti-racism is embedded in every organisational function and with every employee.

In 2023 we will be guided by the framework set out by the Bond's paper on ['Becoming Locally Led as an Anti-Racist Practice: A Guide to Support INGOs'](#) to ensure that we change how we work and make decisions, and how we are structured and governed to become more anti-racist. We will use the matrix they provide to understand our baseline and reflect on best practice in becoming an anti-racist organisation.

We know there is no one 'neat' pathway however we are committed to becoming an anti-racist organisation and we recognise the need to prioritise and make progress on what we can.

3.10.3 PAY AND REWARD

We want our staff to feel valued and appropriately rewarded and recognised for the work they do, and put ourselves in the best position to attract, retain and inspire exceptional individuals to help us achieve our purpose. We aim to reward our staff fairly and consistently relative to their level of work and to ensure our processes to manage pay are simple and easy to understand.

Our salary structure ensures that our staff are paid competitively according to the role that they do. Our salary bands are benchmarked externally against those of similar sized charities. We are fully transparent about pay when we advertise for any role, sharing the starting salary in all instances. We are proud to continue to support the charity sector's call for salary transparency as part of [Show the Salary campaign](#).

We also aim to offer an attractive benefits package including pension, life cover, organisational sick pay and family friendly pay and leave schemes; incremental increase in annual leave depending on length of service; opportunities for learning and development; a comprehensive EAP and a strong ethos of flexible working.

3.10.4 RECRUITMENT AND RETENTION

Like many other organisations we have been through a period of staff turnover at a higher rate than usual. Having reviewed our exit questionnaire information, the reasons for this do not seem to point conclusively to any one particular issue. However, the impact has been felt keenly and we are committed to listening to staff to understand where improvements can be made to improve retention rates.

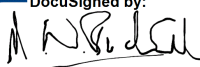
This issue has led to increased recruitment activity as we have needed to replace our leavers, alongside creating new roles to support growing organisational needs. Fortunately, we have attracted excellent candidates through our recruitment campaigns with all vacancies filled promptly. Our new starters benefit from a comprehensive induction programme to support the start of a successful journey with Elrha.

APPROVAL OF THE TRUSTEES' REPORT

The Trustee's Report (pages 8 – 55) was approved by the Board of Trustees on 19 June 2023 and signed on its behalf on 07 July 2023:

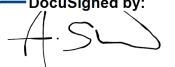
Margie Buchanan-Smith

Chair of Board of Trustee

DocuSigned by:

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Andrew Shellard

Treasurer

DocuSigned by:

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INDEPENDENT AUDITOR REPORT TO THE MEMBERS OF ELRHA

OPINION

We have audited the financial statements of Elrha (“the charitable company”) for the year ended 31 December 2022 which comprise the Balance Sheet, the Statement of Financial Activities, the Cash Flow Statement and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company’s affairs at 31 December 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS OF OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (“ISAs (UK)”) and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the charitable company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

GOING CONCERN

The trustees have prepared the financial statements on the going concern basis as they do not intend to liquidate the charitable company or to cease its operations, and as they have concluded that the charitable company’s financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements (“the going concern period”).

In our evaluation of the Trustees' conclusions, we considered the inherent risks to the charitable company's business model and analysed how those risks might affect the charitable company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the trustees use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the trustees assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the charitable company will continue in operation.

FRAUD AND BREACHES OF LAWS AND REGULATIONS – ABILITY TO DETECT

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of Trustees and management, and inspection of policy documentation as to the Charitable Company's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Trustees Board minutes
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular the risk that charitable income is recorded in the incorrect accounting period, and the risk that management may be in a position to make inappropriate accounting entries.

We also performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included journals posted by individuals that do not post frequently and the final five material revenue journals posted in the year.
- Inspecting grant agreements to determine if income has been recognised in line with accounting policy.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with management as required by auditing standards. Additionally, we discussed with management the relevant policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

The charitable company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies' legislation) and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Whilst the charitable company is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance alone could have a material effect on amounts or disclosures in the financial statements.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

OTHER INFORMATION

The trustees are responsible for the other information, which comprises the Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information;
- in our opinion the information given in the Trustees' Annual Report, which constitutes [the strategic report for the financial year, is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- the charitable company has not kept adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report

We have nothing to report in these respects.

TRUSTEES' RESPONSIBILITIES

As explained more fully in their statement set out on page 48, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are

considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

THE PURPOSE OF OUR AUDIT WORK AND TO WHOM WE OWE OUR RESPONSIBILITIES

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Joanne Lees

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

15 Canada Square, London, E14 5GL

United Kingdom

Date: 14 July 2023

FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 December 2022

	Notes	Unrestricted funds £	Restricted funds £	Total funds for the year to 31/12/2022 £	Total funds for the period to 31/12/2021 £
Donations	3	5	-	5	28,441
Charitable activities	4	-	9,608,532	9,608,532	9,344,280
Total income		5	9,608,532	9,608,537	9,372,721
Charitable activities	5	-	(9,413,082)	(9,413,082)	(9,463,418)
Total expenditure		-	(9,413,082)	(9,413,082)	(9,463,418)
Net income and net movement in funds		5	195,450	195,455	(90,697)
Reconciliation of funds:					
Funds brought forward		239,514	36,512	276,026	366,723
Movement in funds		5	195,450	195,455	(90,697)
Funds carried forward		239,519	231,962	471,481	276,026

The statement of financial activities includes all gains and losses recognised in the period

BALANCE SHEET

As at 31 December 2022

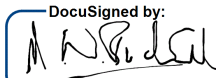
	Notes	31/12/2022	31/12/2021
		£	£
Current assets			
Debtors: amounts falling due within one year	11	1,409,218	2,867,364
Cash at bank and in hand	16	101,911	98,749
		1,511,129	2,966,113
Liabilities:			
Creditors: amounts falling due within one year	12	(1,039,647)	(2,690,087)
		(1,039,647)	(2,690,087)
Net assets		471,481	276,026
The funds of the charity:			
Restricted income funds	15,16	231,962	36,512
Unrestricted funds	16	239,514	239,514
Total Funds		471,481	276,026

The notes on pages 65-83 form part of the financial statements.

Approved by the Board on 19 June 2023 and signed on its behalf on 07 July 2023 by:


Margie Buchanan-Smith

Trustee

DocuSigned by:

 4D6B5F7704964DE...

Andrew Shellard

Trustee

DocuSigned by:

 CD5C47CADEC742B...

CASH FLOW STATEMENT

For the year ended 31 December 2022

	Notes	Year to 31/12/2022 £	Year to 31/12/2021 £
Cash flows from operating activities			
<i>Net cash provided by operating activities</i>	a)	3,162	5,024
Change in cash and cash equivalents in the reporting period		3,162	5,024
Cash and cash equivalents at the beginning of the reporting period		98,749	93,725
Cash and cash equivalents at the end of the reporting period		101,911	98,749

NOTES TO THE CASH FLOW STATEMENT

(a) Reconciliation of net income to net cash flow from operating activities	Year to 31/12/2022 £	Year to 31/12/2021 £
Net income	195,455	(90,697)
Adjustments for:		
Decrease/(increase) in debtors	1,458,146	253,523
Increase/(decrease) in creditors	(1,650,440)	(157,802)
Net cash provided by operating activities	3,162	5,024

(b) Analysis of cash and cash equivalents	Year to 31/12/2021 £	Year to 31/12/2020 £
Cash at bank and in hand	101,911	98,749
Total cash and cash equivalents	101,911	98,749

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

GENERAL INFORMATION AND BASIS OF ACCOUNTING

Elrha is a charitable company incorporated in England and Wales and domiciled in the United Kingdom under the Companies Act 2006. The address of the registered office is:

1 St. John's Lane

London

EC1M 4AR

Elrha is a public benefit entity. The nature of Elrha's operations and its principal activities are set out in the Trustees' Report (including the strategic report) on pages 8-55.

Save the Children UK (company number 00178159; charity numbers 213890 in England and Wales, and SC039570 in Scotland) is the sole member of Elrha. Save the Children UK's principal purpose is to save children's lives and tackle global child poverty. Elrha's results will be consolidated with those of Save the Children UK and the consolidated accounts can be obtained by the public at the registered office address given above.

BASIS OF PREPARATION

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The functional currency of Elrha is pounds sterling because that is the currency of the primary economic environment in which Elrha operates.

GOING CONCERN

The financial statements have been prepared on a going concern basis, which the Trustees consider to be appropriate for the following reasons.

The Trustees have prepared financial forecasts for a period of 12 months from the date of approval of these financial statements, and these indicate that the Charitable Company will have sufficient funds to meet its liabilities as they fall due for that period.

After the 2021 significant reduction in funding from the UK Government, which is one of Elrha's key donors via the Foreign, Commonwealth and Development Office (FCDO) and National Institute of Health Research (NIHR), Elrha achieved medium-term financial stability in 2022. During 2022, Elrha's was able to secure funding until March 2025 for two of our programmes, the Humanitarian Innovation Fund (HIF) and the Global Prioritisation Exercise (GPE), through a non-cost extension awarded by FCDO, which will also fund the UK Humanitarian Innovation Fund (UKHIH). New funding was also secured for HIF from the Norway Ministry of Foreign Affairs, until August 2025.

The main risk to the Charitable Company's going concern status, as at the reporting date, is a failure to secure sufficient new funding to cover operational costs in 2024, which are essential in implementing the programmes' activities, and therefore co-financed across funders. In 2023, more than 25% of all operational costs are to be funded by a grant agreement ending on 31 December 2023. Even if funding commitments are sufficient to cover programme activities, it is critical for the organisation's ability to continue its operations that fixed operational costs are also funded.

For the purposes of assessing Elrha's going concern status under alternative scenarios, the Trustees have considered a scenario in which no additional funding is available for the first six months of 2024, in order to test if the funding commitments in place during this period are sufficient to cover our fixed operational costs. Given the very positive relationship that Elrha has with its current donors, strong reputation in the sector, and the active steps that are being taken to secure and diversify future funding, the Trustees consider this outcome to be unlikely. Nonetheless, testing this worst-case scenario, based on conservative assumptions, demonstrates that Elrha would be able to continue its operations, as sufficient funding to cover fixed operational costs will be available, until mid-2024, at least, even if no new funding is committed for this period.

This will be possible thanks to Elrha's operating model, which allows the organisation to scale up or down in response to the availability of funding. The ability to meet liabilities as they fall due rests upon ensuring that funding from Elrha's donors is sufficient to cover the direct and indirect costs of running the programmes. As such, Elrha does not make commitments to third parties unless donor funding has already been secured, and ensuring

fixed operational costs are covered as a priority over the flexible operational and programme costs.

With respect to cash liquidity, Elrha receives incoming cash through claims submitted to each of its donors on an agreed schedule, and it also has access to a flexible credit facility provided by Save the Children UK (SCUK). This credit facility is available interest free up to a value of £2.5 million. Furthermore, most of our donors provide funding in advance of expenditure being incurred, as a result, Elrha has typically remained in a positive cash position and has not needed to draw upon the credit facility for the last two years (2021 and 2022).

Consequently, the Trustees are confident that the Charitable Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

FUND ACCOUNTING

Unrestricted funds are those which are available for the general purposes of Elrha at the discretion of the trustees. The trustees may elect to dedicate some funds for specific purposes. No funds have been dedicated in this way during the period.

Restricted funds are funds that are to be used in accordance with specific restrictions imposed by donors or that have been raised by the charity for particular purposes. Costs are charged against the specific fund in line with donor wishes. An analysis of each restricted fund is set out in note 15.

In case of a deficit or surplus in restricted funds, the following approach is applied:

- if there is a deficit in restricted funds at the end of the year, the likelihood of future income being received which could cover this shortfall is assessed. A deficit is considered acceptable to the extent there is a realistic expectation of future income to cover the shortfall. If this condition does not apply, any shortfall must be immediately made up through a transfer from unrestricted funds.
- the restricted funds balance will be assessed at the end of each funding arrangement with a donor. If the balance is in deficit and the end of the funding arrangement means the prospect of future income to make up the shortfall is now unlikely, a transfer from unrestricted funds will be made. If the balance is a surplus, the implications will be assessed

in light of donor restrictions, which may require that surplus income is repaid to the relevant donor.

INCOME

Income is recognised in the statement of financial activities when Elrha is legally entitled to the income, receipt is probable, and it can be effectively measured.

Grant income

Most of Elrha's income is donor funding, which is granted either directly from donors, or via Save the Children UK. In general, grants represent restricted income from governments, agencies and foundations, corporates and trusts and have been included as 'Incoming resources from charitable activities' where these grants specifically outline the goods and services to be provided to beneficiaries. For these performance related grants, in the absence of specific milestones to determine entitlement, income is recognised to the extent that resources have been committed to the agreed outcomes and outputs as this is deemed to be a reliable estimate of the right to receive payment for the work performed. In this case cash received in excess of expenditure is included as a creditor (as deferred income) and expenditure in excess of cash included as a debtor (as accrued income). Unless otherwise specified by donors, restricted funds are not held in separate bank accounts.

Consulting income

Consulting income is income arising from services provided by Elrha to other humanitarian organisations. Such services are closely aligned with Elrha's charitable objectives and expertise and include activities such as training and research to support other organisations with which Elrha shares common goals. Income from these contracts is unrestricted and any profits generated are used to fund Elrha's other charitable activities. As with grant income, consulting income is recognised either upon the achievement of specific milestones, or in the absence of such milestones, income is recognised to the extent that resources have been committed to the agreed outcomes and outputs, until contract completion allows for a final and accurate accounting of profit or loss.

Gifts in Kind income (GIK)

GIK (Gifts in Kind) include goods for project distributions or resale, pro-bono services and supplies. GIK must be included in the accounts as income and expenditure and valued at

market value by management and/or the donor. No monetary value is attributed to volunteer work.

EXPENDITURE

All expenses are recognised on an accruals basis.

Expenditure on charitable activities is any that relates directly to fulfilling the charitable objects of Elrha.

Grant funding expenditure comprises the direct value of sub-grants made by Elrha to partner organisations during the year, as detailed in note 7. Grants funding costs are reported against the programme to which they relate.

Expenditure on 'activities undertaken directly' includes all costs of activities directly attributable to specific programmes or projects.

Support costs represent core activities and services, such as general management, governance, human resources, communications, financial management and premises costs, and are allocated across the categories of charitable activities in proportion to the services provided.

Staff costs are analysed and apportioned on the basis of management's estimation of the time spent on each activity and are allocated to activities undertaken directly or support costs according to the role of the staff concerned.

TERMINATION BENEFITS

Termination benefits are payable when employment is terminated, or whenever an employee accepts voluntary redundancy in exchange for these benefits. Termination costs are recognised at the point at which Elrha is committed to incur these costs.

PROVISIONS

Provisions for liabilities are recognised when there is a legal or constructive obligation for which a measurable future outflow of funds is probable. Elrha held no provisions at the balance sheet date. (2021: nil)

FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised when Elrha becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs). Elrha only has financial assets and financial liabilities of a kind that qualify as basic financial instruments.

Trade and other debtors are recognised at the settlement amount due after any discount offered. Prepayments are valued at the amount prepaid, net of any trade discounts due. Creditors and provisions are recognised where Elrha has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party, and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

DEFINED PENSION CONTRIBUTION SCHEME

Save the Children UK operates a defined contribution retirement benefit scheme for all qualifying employees of group entities, including Elrha. For all schemes the amount charged to the statement of financial activities is in respect of the pension contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of Elrha's accounting policies, which are described in note 1, the trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The trustees do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure, with the exception of income recognition. In light of the guidance set out in the Charities SORP (FRS 102) all awards have been reviewed to determine their performance related conditions, see Accounting Policies (Grant income).

3. INCOME FROM DONATIONS

Year ended 31 December 2022

	Unrestricted	Restricted	Year to 31/12/2022
	£	£	£
Gift in kind income	-	-	-
Other	5	-	5
Total	5	-	5

Year ended 31 December 2021

	Unrestricted	Restricted	Year to 31/12/2021
	£	£	£
Gift in kind income	28,419	-	28,419
Other	22	-	22
Total	28,441	-	28,441

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted	Restricted	Year to 31/12/2022	Year to 31/12/2021
	£	£	£	£
Research for Health in Humanitarian Crises (R2HC)	-	2,520,442	2,520,442	4,453,065
Humanitarian Innovation Fund (HIF)	-	6,691,453	6,691,453	3,602,347
UK Humanitarian Innovation Hub (UKHIH)	-	268,422	268,422	1,010,020
Global Prioritisation Exercise (GPE)	-	128,215	128,215	274,385
Consulting	-	-	-	4,463
Total	-	9,608,532	9,608,532	9,344,280

5. EXPENDITURE

	Grant funding £	Activities undertaken directly £	Support costs £	Year to 31/12/2022 £	Year to 31/12/2021 £
Charitable activities					
Humanitarian Innovation Fund (HIF)	3,800,893	830,211	774,545	5,405,648	3,602,347
Research for Health in Humanitarian Crises (R2HC)	1,661,887	574,571	283,983	2,520,442	4,453,065
Consulting	-	-	-	-	2,278
Global Prioritisation Exercise (GPE)	-	387,562	102,337	489,899	274,385
UK Humanitarian Innovation Hub (UKHIH)	646,615	266,757	83,721	997,093	1,010,020
Other charitable activities	-	(6,985)	6,985	-	121,323
Total expenditure	6,109,395	2,052,116	1,251,572	9,413,082	9,463,418

Total resources expended include the following:

Fees payable to the auditor

	Year to 31/12/2022 £	Year to 31/12/2021 £
Audit of financial statements	23,500	21,000
Total audit fees	23,500	21,000

6. ANALYSIS OF SUPPORT COSTS

	Year to 31/12/2022 £	Year to 31/12/2021 £
Governance	44,536	71,102
General Management	422,827	351,979
Financial Management	252,576	270,226
Communications Support	224,346	272,256
Human Resources	78,970	130,965
Information Technology	128,577	123,155
Premises and Facilities	99,740	92,384

1,251,572	1,312,067
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7. ANALYSIS OF GRANT EXPENDITURE

	2022 HIF £	2022 R2HC £	2022 UKHIH £	2022 Total £	2021 Total £
Terre Des Hommes Foundation	290,000	-	-	290,000	137
Action Against Hunger	-	105,109	-	105,109	188,341
Alima Bureau	-	-	-	-	212,248
Alliance for International Medical Action (Alima)	-	-	-	-	121,285
AMREF Health Africa in South Sudan	-	-	-	-	87,598
Arbeiter-Samariter-Bund Deutschland E.V.	75,000	-	-	75,000	191,152
Beth Israel Deaconess Medical Center Inc	-	-	-	-	73,781
Brandeis University	-	1,664	-	1,664	24,113
Busara Center For Behavioral Economics Inc	-	8,278	-	8,278	33,110
Caribou Digital (UK) Ltd	-	-	124,710	124,710	257,490
Center For Global Development	-	-	30,609	30,609	-
Chatham House	-	-	15,931	15,931	-
Columbia University	-	-	-	-	(32,573)
Columbia University	-	309,095	-	309,095	1,221
CWS Japan	656,325	-	-	656,325	526,682
Daniele Lantagne	-	2,141	-	2,141	4,520
Danish Red Cross	-	-	-	-	3,330
Durham University	-	-	-	-	5,587
Eawag	-	2,863	-	2,863	-
Ecole d'Economie de Paris	62,497	-	-	62,497	62,497
Gloria Seruwagi	-	-	-	-	1,865
Gujarat Mahila Housing Sewa Trust	6,104	-	-	6,104	-
Healthright International	232,000	164,118	-	396,118	191,439
Heartland Alliance International	493	-	-	493	32,870
Humanitarian Outcomes Ltd	-	-	124,230	124,230	-
Humanity & Inclusion (formerly Handicap International)	-	70,077	-	70,077	-
Ibis Reproductive Health Inc	-	242,103	-	242,103	-

	2022 HIF £	2022 R2HC £	2022 UKHIH £	2022 Total £	2021 Total £
IDinsight Inc	-	3,012	-	3,012	3,752
Impact Initiatives	-	8,160	-	8,160	-
Indo Global Social Service Society	5,923	-	-	5,923	-
Institute Of Development Studies	-	-	29,876	29,876	-
International Centre For Diarrhoeal Disease Research Bangladesh (ICDDR,B)	-	-	-	-	9,800
International Rescue Committee UK	(5,476)	-	-	(5,476)	234,546
Ipas	92,453	-	-	92,453	58,834
John Hopkins University	-	2,955	-	2,955	113,769
Johns Hopkins University	-	-	-	-	222,737
Karolinska Institutet, Institution of Public Health Sciences	-	-	-	-	9,787
Khi Business Developments Ltd	-	22,619	-	22,619	22,619
Lagos State University College of Medicine	-	-	-	-	9,273
Leh Nutrition Project	20,192	-	-	20,192	-
Leonard Cheshire Disability	36,534	-	-	36,534	37,367
Light for the World International	7,699	-	-	7,699	69,288
London School Of Hygiene & Tropical	58,537	3,600	-	62,137	153,107
Makerere University School of Public Health	-	-	-	-	25,441
Michigan State University	-	-	-	-	10,947
Monash University	-	-	-	-	82,164
Muslim Aid UK	59,409	-	-	59,409	-
Nesta	-	-	112,000	112,000	244,721
Norwegian Refugee Council	-	7,653	-	7,653	130,904
Nossal Institute Limited	6,131	-	-	6,131	70,016
ODI	-	-	69,259	69,259	-
On Our Radar Ltd	12,000	-	-	12,000	-
Orebro University	-	(2,120)	-	(2,120)	-
Orebro University	-	-	-	-	9,178
Oxfam GB	140,487	27,991	-	168,478	157,897
Pesitho Holding Aps	202,014	-	-	202,014	317,451

	2022 HIF £	2022 R2HC £	2022 UKHIH £	2022 Total £	2021 Total £
Philippine Geographical Society	10,146	-	-	10,146	24,584
Physicians for Human Rights	192,500	-	-	192,500	82,500
Pragya	200,125	-	-	200,125	142,946
President and Fellows of Harvard College	-	-	-	-	8,928
Professional Institute for Development and Socio Environmental Management (PRISM)	-	-	-	-	2,000
Qatar Red Crescent	-	-	-	-	11,471
Queen Margaret University	-	-	-	-	(7,779)
Queen Margaret University College	-	-	-	-	16,975
Queen Mary University Of London	-	-	-	-	31,961
Queens University at Kingston	67,368	-	-	67,368	96,241
Reach Out Cameroon	-	39,961	-	39,961	49,952
Reemi Charitable Trust	20,212	-	-	20,212	13,475
Research and Grant Institute of Ghana (REGIG)	17,156	-	-	17,156	8,104
Royal College of Surgeons England	-	-	139,999	139,999	69,999
Sara E Casey	-	-	-	-	4,168
Save the Children Denmark	-	1,713	-	1,713	-
Stanford University	56,176	44,547	-	100,723	50,000
Start Network	464,008	-	-	464,008	100,270
Swiss Tropical and Public Health Institute	-	-	-	-	202,870
Syrian American Medical Society Foundation	-	-	-	-	1,288
Tearfund	120,455	-	-	120,455	84,319
The British Red Cross Society	-	-	-	-	282,036
The George Washington University	62,411	-	-	62,411	62,411
The International Federation of Red Cross	77,352	-	-	77,352	-
The Joan & Sanford I Weil Medical College and Graduate School of Medical	-	-	-	-	1,267

	2022 HIF £	2022 R2HC £	2022 UKHIH £	2022 Total £	2021 Total £
Science Of Cornell University					
The Population Council	-	325,444	-	325,444	-
The University of Sydney	-	49,922	-	49,922	-
Trinity College Dublin	-	-	-	-	4,205
Tufts University	-	-	-	-	45,600
Uluslararası Sosyal İnsani Yardımlaşma Ve Dayanışma Demegi (SDI)	-	-	-	-	5,989
University New South Wales	-	-	-	-	605,509
University of Applied Sciences and Arts Northwestern Switzerland	29,998	-	-	29,998	123,990
University of Bath	-	-	-	-	18,528
University of California Regents	-	40,000	-	40,000	130,926
University of Leeds	18,532	-	-	18,532	-
University of Sheffield	-	5,186	-	5,186	-
University of Washington	-	35,134	-	35,134	466,982
University of Western Ontario	-	2,761	-	2,761	-
Urmul Seemant Samiti	6,084	-	-	6,084	10,140
University of Sciences, Techniques and Technologies of Bamako (USTTB)	-	-	-	-	17,237
Waterscope	61,651	-	-	61,651	22,588
Women's Refugee Commission	114,477	-	-	114,477	125,000
Words Rhythms Images	19,539	-	-	19,539	21,534
World Health Organization	-	-	-	-	286,809
World Vision International	-	90,000	-	90,000	-
World Vision UK	-	44,918	-	44,918	-
World Vision Vanuatu	138,968	-	-	138,968	-
Yale University	-	2,988	-	2,988	-
York University	158,774	-	-	158,774	-
Youth Development Labs Inc	6,638	-	-	6,638	117,836
Total	3,800,893	1,661,887	646,615	6,109,395	7,323,144

8. TRUSTEES

The trustees received no remuneration during the year.

During the year £25 (2021: £0) was expended on travel and accommodation expenses for one trustee (2021: 0) to attend and participate in meetings of the Board of Trustees.

No donations were received from trustees during the year (2021: nil).

9. EMPLOYEES

Payroll costs were as follows:

	Year to 31/12/2022	Year to 31/12/2021
	£	£
Wages and salaries	1,682,550	1,774,982
Social security costs	184,303	181,930
Pension costs	93,441	100,669
Other staff costs	10,202	71,129
	<u>1,970,497</u>	<u>2,128,710</u>

Payroll costs are included under Expenditure as 'Activities undertaken directly' in Note 5 to these financial statements. No redundancy costs were incurred in 2022 (2021: £71,550).

The average monthly number of employees during the year was:

	Average headcount ¹		Average FTE headcount²	
	2022	2021	2022	2021
Elrha	38	43	37	41
	<u>38</u>	<u>43</u>	<u>37</u>	<u>41</u>

¹ Headcount is defined as the number of roles filled by employees.

² FTE headcount is defined as headcount adjusted to take into account hours worked, where employees do not work on a full-time basis.

During the year the following number of employees received employee benefits (excluding employer pensions costs) within the bands shown below.

	Year to 31/12/2022	Year to 31/12/2021
£60,001-£70,000	1	3
£70,001-£80,000	-	
£80,001-£90,000	1	
£90,001-£100,000	1	
	3	3

The total amount of employee benefits received by key management personnel during the year was £361,531 (2021: £402,912).

10. TAXATION

Elrha is a registered charity and as such is not liable to United Kingdom income or corporation tax on charitable activities or primary purpose trading activities.

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/12/2022	31/12/2021
	£	£
Trade debtors	4,232	-
Amounts due from parent company	907,815	2,394,839
Grant debtors	489,475	465,776
Prepayments and accrued income	3,095	-
Other debtors	4,601	6,749
	1,409,218	2,867,364

There are no debtors expected to pay after a period of longer than one year.

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/12/2022	31/12/2021
	£	£
Trade creditors	128,771	472,160
Taxes and social security costs	45,022	41,712
Accruals	387,819	260,022
Deferred income	478,026	1,903,265
Other creditors	10	12,928
	1,039,647	2,690,087

13. FINANCIAL COMMITMENTS

The table below shows the charity's commitment to donors in delivering projects on their behalf, which are expected to be completed over a number of years. Elrha's obligation to deliver on these projects is conditional upon donor funding being received in accordance with grants agreements.

	31/12/2022	31/12/2021
	£	£
Within one year	16,968,973	12,822,122
In years two to five	12,234,348	6,373,194
After five years	-	-
	<u>29,203,321</u>	<u>19,195,316</u>

Sub Grant Commitments

The table below shows the charity's commitment to donors in delivering projects on their behalf, which are expected to be completed over a number of years.

A proportion of the funds needed for these programmes has already been received and is included within deferred income in note 12. For those not yet received, there are legal agreements with donors to ensure that Elrha will be reimbursed for completion of those projects. As described in note 1 (Going concern), Elrha retains the right to withdraw from these commitments, in the event of donor funding being cut unexpectedly.

	HIF	R2HC	UKHIH	31/12/2022	31/12/2021
	£	£	£	£	£
Within one year	2,260,998	2,581,739	454,159	5,296,897	6,893,861
In years two to five	1,069,193	1,741,314	-	2,810,507	3,004,182
After five years	-	-	-	-	-
	<u>3,330,191</u>	<u>4,323,053</u>	<u>454,159</u>	<u>8,107,404</u>	<u>9,898,043</u>

14. ANALYSIS OF CHARITABLE FUNDS

Year ended 31 December 2022

	Opening balance	Income	Expenditure	At 31/12/2021
	£	£	£	£
Unrestricted funds	239,514	5	-	239,519
Restricted funds	36,512	9,608,532	(9,413,082)	231,962
	276,026	9,608,537	(9,413,082)	471,481

Year ended 31 December 2021

	Opening balance	Income	Expenditure	At 31/12/2020
	£	£	£	£
Unrestricted funds	237,308	32,904	(30,698)	239,514
Restricted funds	129,415	9,339,817	(9,432,720)	36,512
	366,723	9,372,721	(9,463,418)	276,026

15. RESTRICTED FUNDS

	Opening balance	Income	Expenditure	Transfers	At 31/12/2022
	£	£	£	£	£
HIF					
FCDO - UK Foreign Commonwealth and Development Office	-	3,745,511	(2,633,929)	(1,179,518)	(67,936)
ECHO - European Civil Protection and Humanitarian Aid Operations (European Commission)	-	666	(667)	-	-
Netherlands Ministry of Foreign Affairs	-	2,898,919	(2,724,695)	(879,291)	(705,068)
Government of Norway	-	11,978	(11,978)	-	-
Swiss Agency for Development and Cooperation	-	34,379	(34,379)	-	-
	-	6,691,453	(5,405,648)	(2,058,809)	(773,004)
R2HC					
Wellcome Trust	-	931,649	(931,649)	-	-
Department of Health (UK)	-	198,261	(198,261)	-	-
FCDO - UK Foreign Commonwealth and Development Office	-	1,390,532	(1,390,532)	-	-
	-	2,520,442	(2,520,442)	-	-
Global Prioritisation Exercise (GPE)					
FCDO - UK Foreign Commonwealth and Development Office	-	(13,794)	(173,667)	179,574	(7,887)
MFA Netherlands	-	142,009	(316,232)	879,291	705,068
	-	128,215	(489,899)	1,058,865	697,181
UK Humanitarian Innovation Hub (UKHIH)					
FCDO - UK Foreign Commonwealth and Development Office	-	268,422	(997,093)	804,494	75,823
	-	268,422	(997,093)	804,494	75,823
Other					
Other movements in restricted funds	36,512	-	-	195,450	231,962
Total restricted funds	36,512	9,608,532	(9,413,082)	-	231,962

Effective on 2 September 2020, the Department for International Development (DFID) merged with the Foreign and Commonwealth Office to create the Foreign, Commonwealth and Development Office (FCDO).

All arrangements previously entered into with DFID transferred to the FCDO as of the date of the merger.

Since Elrha's establishment in 2018, funding arrangements have been in a process of transition, going via SCUK subgrants, to funding agreements directly between Elrha and external donors. In 2022, all Elrha's funding was received directly from donors with the exception of funding from the Wellcome Trust, which continues to be provided via SCUK.

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Restricted funds	At 31/12/2022
	£	£	£
Debtors: amounts falling due within one year	238,745	1,170,472	1,409,218
Cash at bank and in hand	774	101,137	101,911
Creditors: amounts falling due within one year	-	(1,039,647)	(1,039,647)
	239,519	231,962	471,482

17. EMPLOYEE BENEFITS

Save the Children UK operates a defined contribution retirement benefit scheme for all qualifying employees of group companies, including Elrha. The total expense charged to the statement of financial activities in the year ended 31 December 2022 was £93,441 (2021: £100,669). Pension contributions are included under Expenditure as 'Activities undertaken directly' in Note 5 to these financial statements.

The contributions outstanding at 31 December 2022 were £0 (2021: £12,911).

18. RELATED PARTY TRANSACTIONS

Save the Children UK (company number 00178159; charity numbers 213890 in England and Wales, and SC039570 in Scotland), registered address; 1 St John's Lane, London, EC1M 4AR is the sole member of Elrha.

During 2022 Elrha received sub-grant income from Save the Children UK (SCUK) of £932,416 in relation to 3 funding awards where SCUK maintain the relationship with the donor. Under the shared services agreement Elrha paid SCUK £351,790 for the support services provided during the year, including the use of office space, and £81,967 for SCUK staff seconded to Elrha. In addition, SCUK paid £41,500 for one staff position within Elrha. As at 31st December 2022, the amount due from the parent company, SCUK, to Elrha was £907,815 as shown in Note 11.

19. POST BALANCE SHEET EVENTS

There are no post balance sheet events to report.