



The Westminster Foundation for Democracy Limited

Company number: 2693163

Minutes of Meeting of Board of Governors of Westminster Foundation for Democracy, on 2 December 2021

Meeting IN-PERSON (ROOM P, PCH) AND VIA ZOOM: 9:30-11.30am.

Present: Richard Graham MP (Chair)
Rushanara Ali MP (Vice Chair)
Sue English (Vice Chair)
Simon Walker
Mark Babington
Thomas Hughes
Christine Jardine MP
Rt Hon Maria Miller MP
Rt Hon Harriet Harman MP
Brendan O'Hara MP
Anthony Smith (ex-officio, CEO)

In attendance: Chris Lane (Company Secretary)
Femi Otukoya (Finance Director)

Welcome and Apologies

Maria Miller MP opened the meeting pending Richard Graham MP's arrival. The acting chair noted that there were no apologies for absence.

The meeting was quorate.

Declarations of interest

None were raised.

Minutes and matters arising

The Board approved the minutes of the September 2021 Board meeting. The CEO provided a brief update on the actions arising, which would be progressed as part of the 30th anniversary celebrations.

Board members noted that the key arguments document circulated to Governors had been extremely useful.

Chair's opening comments

The Chair suggested that the key issues for active consideration by the Board moving forward were:

- Finances and re-shaping the organisation for the future
- Ensuring that WFD continues to be a well-run organisation and
- Reflecting on the themes and areas of focus for WFD in the future

The Chair also noted that this Board meeting would be the last for Rushanara Ali MP and Simon Walker, subject to any short-term extension that may be put in place to allow time for replacement Board members to be appointed.

1. WFD planning for the Spending Review period

The CEO referred Board members to a paper setting out Management's recommended approach to planning for FY22/23 and beyond, whilst emphasising that considerable work on detailed plans remains to be completed.

The CEO advised that:

- There is still no confirmation of WFD's allocation of core funding from the FCDO and this may not be forthcoming until February or March 2022. WFD, together with other ALBs, is pressing for an early indication of some up-to-date planning assumptions.
- The policy commitment to WFD's work remains strong and there are signs that ODA funding will increase in the third year of the spending review period. However, in the meantime it is likely that WFD will be subject to the flat cash settlement as indicated earlier, which is consistent with HM Treasury's guidance to departments.
- Whilst accurate information remains limited, Management proposes to use a realistic estimate of its projected core funding (grant in aid) and a conservative estimate of third party funding (from donors other than the sponsor team at FCDO) to guide decisions. Its recommended approach is to maintain a significant geographic presence through its network, whilst reducing non-staff and staff-costs in the UK. Management is focused on effectiveness, rather than just cost, and will develop and deploy a broader range of flexible models to scale-up and scale-down in future.
- Management also proposes to hold back a proportion of the funding for political party programmes until the income forecasts are clearer.
- Management aims to proactively engage with UK Posts as part of country planning processes for the spending review period and it continues to pursue several high value opportunities with a range of donors.
- Subject to Board approval, Management will prepare a proposal for formal consultation with WFD staff from January 2022. The change process will likely take up Q4 2021-22 and into Q1 2022-23.

Board members noted that:

- There is a difficult balance to be struck between the short-term resource constraints and the long-term demands on the organisation or between caution which could leave WFD under-resourced and optimism which could leave WFD over-exposed on costs.
- Management's ambition to become a 'preferred supplier' to FCDO will be largely focused on promoting its profile within the department, but could also take the form of sole source contracting under an exemption in the public procurement rules or where WFD is successful in winning specific tendered frameworks.

- The part of the political party programme funding to be held in reserve should be utilised only if absolutely necessary in order to meet the savings target. For example, this could be required if the FCDO is unable to support WFD with meeting any redundancy or closure costs. If the funding held back is required, it would be very challenging to deliver impactful party programmes.
- It will be important for Management to build on the proposed framework for decision-making on the global network and adopt clear criteria to support those taking decisions in practice, ensuring this is linked to WFD's next strategy.
- Management will need to manage the change process carefully in line with policy and all legal requirements.

The Board endorsed Management's recommended approach.

Action: Management to circulate the party presentations shared at the PPO briefing to governors last week.

2. CEO's report

The Board noted the Myanmar briefing, as included in the Board pack, and recognised that negotiations with FCDO have now commenced in connection with a Strategy & Partnership MOU. The Chair asked Management to convene a separate informal meeting, consisting of any interested Board members, to discuss plans for the 30th anniversary celebrations.

Action: Management to arrange an informal meeting of the chair and other Board members in January 2022 to discuss the 30th anniversary celebrations

3. Report of the Programme Quality Committee

Thomas Hughes, as Chair of the PQC, provided an overview of the Committee's recent meeting held on 11 November 2021.

The Board noted that the PQC had focused on:

- Discussing Management's approach to planning for next year in connection with the global network, particularly the need to adopt a flexible approach to scaling up and down, promoting diversity, equality and inclusion, and shifting as appropriate to increased localisation.
- The future role of the PQC, adopting a more systems-based approach to its work, rather than the quality of specific programmes.

Thomas advised the Board that Atish Gonsalves, a co-opted member of the PQC, had recently resigned due to workload pressures with other roles he holds. The Chair asked Thomas to pass on the Board's thanks to Atish for his work and indicated that the search should start for a replacement.

Thomas clarified that the PQC does not deal specifically with issues of brand awareness and profile, which have usually been reserved to the Board. The Chair noted that the 30th anniversary celebrations would be a significant opportunity to

broaden and deepen relationships with parliamentarians, government ministers, officials, and advisers, and heads of missions. This refresh would be an important aspect of the role of the new joint Heads of Communications & External Affairs.

Board members commented that thematic issues, such as climate change, equity, COVID-19 response and recovery, and violence against women politicians can ultimately only be resolved by – and can be used to highlight the importance of - effective democratic practice and institutions, which should remain WFD's core business and focus. This aligns to the open societies agenda.

4. Report of the Audit & Risk Assurance Committee

Mark Babington, as Chair of the ARC, provided an overview of the Committee's recent meeting on 15 November 2021.

The Board noted that the ARC had focused on:

- Scrutinising Management's recommended approach to planning for the spending review period to ensure this is affordable and improves WFD's sustainability, with a view to preparing a sensible budget for the Board to consider in February 2022.
- An update from the National Audit Office about bringing the external audit back in house from the prior outsourced arrangement with BDO LLP.
- The likelihood of an office move and the relevant accounting treatment.
- A progress report from internal auditors, Crowe LLP, about their current and next audits and a discussion about re-tendering the contract or possibly working more closely with the FCDO Internal Audit team or Government Internal Audit Agency
- Reviewing the risk register

Board members suggested that, in the next review of the risk register, the prominence of people-related risks should be increased.

5. Report of the People Committee

Maria Miller MP, as Chair of the People Committee, provided an overview of the Committee's recent meeting on 18 November 2021.

The Board noted that the People Committee had focused on:

- Diversity and inclusion
- Staff health and well-being
- The proposed change management processes, the next stage of which will be an update to staff during w/c 6 December 2021, and will be followed by a process in line with WFD's policies.
- Potential risks to cohesiveness relating to the highly flexible agile working policy adopted by WFD, which should be kept under review.

Maria indicated that safeguarding would become a standing item on the agenda for the People Committee and the Committee would also consider ways to ensure the



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views of WFD staff around the world are captured and included as part of Committee deliberations.

5. Company Secretary Report

The Chair referred Board members to the report and noted the progress on Board appointments/re-appointments.

The Board agreed to consider a request from the Company Secretary to approve a written resolution on a change of registered office, should this be required urgently before the next Board meeting in February 2022. In addition, Board members agreed to initiate a collective self-assessment of Board effectiveness, starting with a questionnaire.

6. Quarterly Progress Report and Corporate Risk Register

The Board accepted Management's Quarterly Progress Report covering the Q2 period to 30 September 2021 and the Corporate Risk Register, as presented.

Any other business

There being no other business to discuss, the Board noted that the next formal Board meeting would be held on 24 February 2021.