



**The Westminster Foundation for Democracy Limited**

Company number: 2693163

**Minutes of Meeting of Board of Governors of Westminster Foundation for Democracy, on 9 September 2021**

*Meeting VIA ZOOM: 9:30-11.40am.*

**Present:** Richard Graham MP (Chair)  
Rushanara Ali MP (Vice Chair)  
Sue English (Vice Chair)  
Simon Walker  
Mark Babington  
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)  
Devin O'Shaughnessy (Director of Strategy & Policy)  
Femi Otukoya (Finance Director)

**Welcome and Apologies**

The Chair welcomed Board members and Femi Otukoya, WFD's new Finance Director.

The Chair noted that, although the backdrop to WFD's work was difficult in some ways due to the numerous challenges to open societies in the world and the funding constraints in the UK, there remain reasons to be optimistic. There are some positive signs that democracy remains resilient in many places. The UK's policy commitment to the open societies agenda is clear. The Foreign Secretary had recently re-confirmed to the Chair the importance of WFD's work to his, and the Government's, agenda.

The Secretary recorded apologies for absence from Thomas Hughes and noted Maria Miller's need to leave the meeting early. The meeting was quorate.

**Declarations of interest**

None were raised.

**Minutes and matters arising**

The Board approved the minutes of the June 2021 Board meeting. The Chair observed that most actions arising from previous Board meetings had been completed, save for the action to compile and write to a list of potentially interested parliamentarians. This is ongoing. Management does maintain a list of parliamentarians who had previously volunteered for WFD.

**Action: Management should take steps to: (a) update and circulate a “key messages” WFD briefing for Board members, and (b) arrange an event for parliamentarians to raise awareness of WFD’s work.**

### **1. Update on HMG policy/strategy and emerging implications of the spending review**

The CEO referred Board members to a paper setting out a funding update and recalled the informal Board meeting held in August. It is now clearer that Management’s previous confidence in a reversal to (at least) pre-pandemic core funding levels in the next financial year, based on assurances from FCDO ministers and officials, no longer holds true and this outcome is now highly unlikely. Management now anticipates that the outcome of the spending review will be a three-year core funding allocation at the same level - £5.1m per annum - as this financial year. In real terms this represents a more than 29% reduction to WFD’s pre-pandemic core funding - £7.2m – across the next three years. It is less clear what the implications will be on non-core or third party UK funding opportunities over the spending review period.

However, Management has engaged in positive discussions recently with FCDO officials, notably Moazzam Malik, the Director-General for Africa (with responsibility for open societies and human rights and WFD). These discussions have focused on the policy agenda and WFD’s relationship with its parent department. WFD has been advised that WFD staff should be considered as insiders, rather than outsiders, with a key role in policy development and implementation. For example, in recent days, WFD has been invited to review and provide feedback on the draft (internal) open societies and human rights strategic framework. In addition, the FCDO has proposed the development of a new strategy and partnership framework, to be documented as a memorandum of understanding between FCDO and WFD, to ensure clarity on WFD’s mandate and approach to mutual engagement. This will be developed in parallel to, and sit alongside, WFD’s new multi-year strategy.

The CEO explained that Management will now focus its energies on addressing the anticipated outcome of the spending review. As set out in the paper, this will include establishing four internal workstreams to review and propose: a new financial model, changes to geographic presence, a new target operating model, and adjustments to political party programming. Management will consult the Board’s committees on emerging options at their respective meetings in November and present recommendations to the Board in December. Subject to the Board’s approval of those recommendations, Management would then develop and implement a change plan.

Board members offered the following comments:

- Early indications are that UK posts in Africa are unlikely to have much if any funding allocated for open societies and human rights work, but the US Embassy in London may be worth approaching.
- As proposed by Management, WFD’s offer, current operating model, and costs should be reviewed holistically, supported by a comprehensive financial analysis and recommendations for efficiencies or fundamental changes across the board. This will include HQ staff and non-staff costs and the costs of its

network, although it was noted that WFD's staffing structure is already quite lean so reductions in staffing would need to correspond to reductions in functions and outputs. The Board will review these recommendations at its next meeting in December, with all Governors offering views objectively as Board members, with an eye on the big picture.

- Political party programming represents a unique value proposition for WFD and allows WFD to offer programming that supports the full spectrum of democratic actors in a system. WFD is committed to supporting pluralistic, multi-party democracy, ensuring a variety of voices and ideas in political systems. This kind of programming distinguishes WFD from other democracy assistance organisations and facilitates the strong support from Parliament for WFD's work. The Board noted that significant improvements had been made over recent years in the level of alignment between WFD direct programming and its indirect political party programming implemented by the parties and in demonstrating impact. Recent interactions with FCDO officials and special advisers suggest that additional efforts in demonstrating the value of political party work would be worthwhile.
- Board members suggested that funding allocations to political party work should aim to protect rather than diminish this important area of work, wherever possible, but it was agreed that no area of WFD can be insulated from the impact of the reduction in core funding. Early consideration should be given to efficiencies that could be realised in the management and administration of political party programming. Rushanara, Maria, Brendan, and Christine offered to participate in consultations with Management on the internal review of political party programming, which would also involve the political party offices. Adele Poskitt (MPO) will lead this workstream and had already started to discuss the position with Governors.
- If international election-related work is likely to be an area of interest and growth for the Government, WFD should continue to position itself for such opportunities. The Board noted that WFD had recently submitted a bid to the FCDO, as part of an open tender procedure, for a three-year contract to manage UK deployments to OSCE election observation missions. In addition, WFD's Global Election Support Centre has been asked by FCDO, with additional funding, to provide analysis and advice to partners on electoral cycle and policy support to FCDO on developing options for the UK's independent election capabilities.
- Overall, Management should take a strategic look at WFD's shape and structure and delivery model and reduce costs in a strategic way, rather than by 'salami-slicing' with across-the-board cuts. This should be based on a clear and valuable core service offer that is focused on the work most important to the UK, which should be protected and invested in, and stopping other non-core activities. WFD should consider how best to retain and reinforce a core capability that will allow it to both scale-up in line with third-party funding opportunities over the coming years and be well-positioned for increased core funding in three years' time ready for the next spending review cycle.

**Action: Board members to be offered a briefing on WFD's political party programming and alignment to other WFD programming.**

## **2. CEO's report**

The CEO suggested that the 30<sup>th</sup> Anniversary celebrations could take the form of a series of events designed to raise the profile of WFD and its work – and mark the launch of its new strategy. The CEO further noted that 15 September is International Day of Democracy and Board members are encouraged to recognise this on social media if possible. An FCDO event to mark International Day of Democracy had been planned, to be hosted by Lord Ahmad, but this had recently been cancelled.

The Board noted that the establishment of a committee, based on a draft terms of reference document, would be covered under a later agenda item. Board members agreed that it would be useful to discuss initial ideas for the 30<sup>th</sup> anniversary celebrations at the next Board meeting.

## **3. Report of the Audit & Risk Assurance Committee**

Mark Babington, as Chair of the ARC, provided an overview of the Committee's recent meeting on 6 September 2021.

The Board noted that the ARC had focused on:

- Emerging implications of the spending review and the need for action, including changes to the operating model, together with reductions in costs and/or increases in funding, to ensure WFD remains a going concern;
- Proposed changes to WFD's external auditing process, moving from an outsourced model carried out by BDO for the NAO, to direct auditing by the NAO, which should represent an improvement; and
- Reviewing progress of actions arising from previous internal audits and approving a terms of reference for a new internal audit on the roll-out of WFD's values and code of conduct.

## **4. Report of the Programme Quality Committee**

In Thomas Hughes' absence, the CEO provided an overview of the Committee's recent meeting on 3 September 2021.

The Board noted that the PQC had focused on:

- Emerging implications of the spending review and the potential impact on WFD's programming;
- Programme performance; and
- Learning review of the WFD programme in Bangsamoro, Philippines, which provided an excellent case study on the benefits of strong collaboration between a UK diplomatic post and WFD.

## **5. Company Secretary Report**

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

The Board formally ratified the appointments of Maria Miller MP and Brendan O'Hara MP as Chair of the People Committee and as a Committee member of the ARC, respectively.

The Board approved the establishment of the 30<sup>th</sup> Anniversary Committee as a committee of the Board based on the draft terms of reference. The committee will be co-chaired by the Board Chair and CEO and include Sue English and representatives of Management. The Chair suggested that the committee should meet as soon as possible following the October recess.

## **6. Quarterly Progress Report and Corporate Risk Register**

The Board accepted Management's Quarterly Progress Report covering the Q1 period to 30 June 2021 and the Corporate Risk Register, as presented.

The Board noted that:

- Most key deliverables and KPIs were on track, although the activity results/outputs during the quarter was lower than anticipated due to the late confirmation of both core and various third party funding opportunities;
- The proportion of events/activities being held in person has increased, compared to the same quarter last year, but COVID-19 remains a significant if variable challenge across the network. The report describes other shocks and disruption events also. There has been limited international travel by experts or WFD staff and no PPO-sponsored international travel. In-person events/activities have been facilitated by local staff or consultants;
- Several country offices have closed or downsized. The DRC office may now be revived as funding prospects with the UK Embassy and Swedish government now look more positive.
- It would be useful to engage with ministers and officials in relation to CSSF forward-planning.

Board members commented that the reporting pack, now with expanded content on WFD's programmes, was comprehensive and useful.

## **7. Environmental democracy and COP26**

Devin O'Shaughnessy provided Board members with an overview of WFD's environmental democracy thematic work, which is particularly relevant due to the upcoming COP26 conference to be hosted in Glasgow in November. This work was rooted in Principle 10 of the 1992 Rio Declaration which articulated three pillars of environmental democracy: transparency, participation, and justice.

The Board noted that:

- Environmental progress depends on effective and inclusive governance and without strong political engagement, efforts to tackle climate change cannot succeed.



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- WFD has recently delivered a successful programme to support parliamentarians in sub-Saharan Africa to prepare for COP26, with notable achievements in securing passage of a climate bill in Uganda.
- WFD has been asked to deliver environmental democracy programmes in Georgia and Indonesia and is also working on a range of knowledge products and policy papers to inform debate.
- WFD is running a breakout session at COP26 for the GLOBE Legislators' Summit; facilitating a UK Presidency Official Side Event at COP26 itself; and will be convening a virtual international Parliamentary Gathering on COP26.
- WFD plans to convene a conference on environmental democracy in March 2022.

**Action: Management to advise Board members of the date and arrangements for the proposed Parliamentary Gathering as soon as possible**

**Any other business**

There being no other business to discuss, the Board noted that the next formal Board meeting would be held on 2 December 2021.