



The Westminster Foundation for Democracy Limited

Company number: 2693163

Minutes of Meeting of Board of Governors of Westminster Foundation for Democracy, on 15 September 2022

Meeting IN-PERSON (CLIVE HOUSE) AND VIA ZOOM: 9:30-11.30am.

Present: Richard Graham MP (Chair)
Sue English (Vice Chair)
Mark Babington
Rt Hon Dame Maria Miller MP
Rt Hon Valerie Vaz MP
Thomas Hughes
Christine Jardine MP
Brendan O'Hara MP
Yasmin Qureshi MP
Anthony Smith (ex-officio, CEO)
Femi Otukoya (ex-officio, Finance Director)

In attendance: Chris Lane (Company Secretary)
Matthew Hedges (Regional Director, Asia & Americas)
Clare Scott (Board Secretary)

Welcome and Apologies

On behalf of the Chair, Sue English opened the meeting and welcomed the Board members. It was noted that that there were no apologies for absence submitted.

The meeting was quorate.

Declarations of interest

None were raised.

Minutes and matters arising

The Board approved the minutes of the June 2022 Board meeting and the July Board away day. All actions noted as complete.

ACTION 1 – The CEO to make available the WFD strategy 2022-2025 to the Board with the Away Day Agenda papers – *Complete, WFD Strategy presented to the Board.*

ACTION 2 – The Company Secretary to share the latest version of the Annual report and Accounts with the Board for review – *Complete, the latest version of the annual report was emailed to all Board members following the meeting.*

ACTION 3 – The PQC Chair should produce a role profile for the new designated board lead role. *Complete, to be presented to the Board.*

ACTION 4 – The Company Secretary should propose amendments to the Governance Handbook and circulate to the Board – *Complete, Amendments to be presented to the Board for approval at the meeting.*

Chair's opening comments

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The Chair offered his apology for his delayed joining of the meeting, he noted that the key decisions for the Board were the approval of the amended Governance Handbook, the ARC terms of reference and the Risk appetite statement.

The Chair welcomed Yasmin Qureshi to the Board and extended congratulation to Valerie Vaz on taking on the role of Vice chair.

1. CEO's Report

The Board accepted the CEO report (Doc 2) as presented and noted the subsequent edits to the WFD strategy.

The CEO informed the Board that the WFD strategy had been approved by FCDO ministers, and would now be prepared as online and print versions, ready for the strategy launch on 12 October.

2. Quarterly Progress Report

The Board accepted Management's Quarterly Progress Report (Doc_3) covering the Q1 FY2022/23 period and endorsed the latest version of the Corporate Risk Register, as presented.

The Board discussed the Quarterly Progress Report, with the main points discussed being:

- Concerns raised regarding the two SNP programmes that have been highlighted as Amber Red. The CEO reported that risk mitigation strategies would be agreed and implemented, but due to recent staffing gaps in the SNP office this has been put on-hold.
- The Board discussed whether the increase in the third-party funding received would impact on the relationship between WFD and the FCDO. The Board were informed that the FCDO encourages WFD to secure income from other donors and any changes to the profile of third-party funding levels would only have implications for WFD if WFD's income reached an average of 15% [**Management note: the correct value is 20%**] from non-UK government sources over a three-year period. This would then mean that the FCDO would not be able to rely on a public procurement exemption to directly contract WFD for contracts. However, it was noted that the majority of WFD's income is grant funding, rather than commercial contracting, which falls outside the public procurement rules. The figure that is represented on slide three and described as third-party income reflects WFD's non-core revenue (i.e. additional to the grant-in-aid) derived from both UK and non-UK government donors. The Chair asked if how the funding is expressed could be reviewed so that a clearer representation of where the funding is being drawn from is shown.

ACTION – Finance Team to review how the income funding representation is expressed in future reporting to highlight the UK government and non-UK government sources.

3. Company Secretary Report

The Board accepted the Company Secretary's report (Doc 5) as presented.

The Board were asked for approval of the amended Governance Handbook, the ARC terms of reference and the Risk Appetite statement.

Governance Handbook – The Board were informed that the main changes to the Governance handbook that required approval were:

- Removal of references to the PQC
- Addition of the concept of Board leads/champions
- Update of the annual programme of items for discussion at the board and each committee meeting
- Update of the Leadership team roles and procedures to include the four internal boards.

As discussed, under the Quarterly progress report, the Board enquired whether the increase in the non-UK Government third-party funding would have any impact on the governance arrangements set out in the handbook. The Board noted that the agreements reached with third party donors were all restricted to specific projects or programmes and to the extent that they imposed donor requirements, these related to the management of that project or programme, not to governance-level policies or procedures.

After discussion, the Board approved the changes made to the Governance Handbook but requested that the Fraud champion wording be altered to Anti-Fraud champion and for the contacts list to be fully updated.

ACTION – The Company Secretary to update the wording of the Fraud champion to Anti-Fraud champion and ensure the contact list is up to date.

DECISION – The Board approved the changes to the Governance Handbook following the forementioned requested alterations.

ARC terms of Reference –The Board discussed the revised ARC terms of reference, noting that these had been endorsed by the ARC.

DECISION – The Board approved the revised ARC terms of reference.

Risk Appetite Statement – The Board agreed that Governors had found the risk appetite session with Crowe a useful exercise and supported the positions set out in the risk appetite statement.

DECISION – The Board approved the risk appetite statement.

4. Programme Quality – next steps

Thomas Hughes presented the Board Lead role profile to the meeting. He informed the Board that the purpose of the document was to set out the approach the Board lead would take, focusing on the following principal areas:

- Access to Information – The Board lead will receive copies of the quarterly programme performance review as well as copies of internal and external evaluations and assessments of WFD programmes.
- Engagement with the assurance process – the Board lead will be able to propose issue for review by the relevant committees.
- Engagement with the ARC, People committee and Leadership team – the Board lead will be invited to attend meetings that are dealing with relevant issues relating to the Leads responsibilities.

The Board endorsed the role profile though commented that in its current form there was a substantial amount of work for one person. It was agreed that going forward two members of

the Board would be asked to volunteer to cover the role. Thomas and Sue confirmed that, until their terms of office end in 2023, they would be happy to jointly take on the Programme Board Lead role.

DECISION – The Board confirmed the Board Lead role profile and agreed for the Board Lead role to be taken up by Thomas Hughes and Sue English.

5. Report of the Audit & Risk Assurance Committee

Mark Babington advised that the Audit and Risk Assurance committee had met in September and focused its time and attention on the finalisation of the annual report and approval of the accounts for 2021-22, the framework for internal control, and the implementation of a reserves policy.

The Board were informed that the 2021-22 financial statements audit had been completed and WFD was in contact with FCDO to arrange a laying date. As agreed at the June Board meeting Mark Babington and Anthony Smith had signed the annual report and accounts on behalf of the Board.

Following discussion at, and endorsement of, the ARC at its most recent meeting, the Board were asked to adopt the reserves policy with an agreed reserve limit of £800k.

DECISION – The Board approved the adoption of the reserves policy and agreed a reserve limit of £800k.

6. Regional Programme Focus

Matthew Hedges joined the meeting and provided an updated in Asia & Americas.

Matthew presented a series of slides to the Board, the main points discussed were:

- Women's Political Leadership in ASEAN
- New context for our Programming – Taiwan
- Programming in a crisis – Sri Lanka

The Chair thanked Matthew for his report and the Board held a discussion on the implications of the programmes in Taiwan and Sri Lanka.

7. Strategic Engagement

The CEO referred the Board to the Parliamentary Engagement paper (Doc_10).

The Board were informed that any comments on the paper or ideas on how the Board could support greater engagement of WFD with these key stakeholders would be welcomed.

8. Any other business

There being no other business to discuss, the Board noted that the next formal Board meeting would be held on 24 November 2022.