

The Westminster Foundation for Democracy Limited
Company Number 2693163

**Minutes of Meeting of the Board of Governors held in Committee Room 19,
Palace of Westminster, on Monday, 11 July 2012**

Present

Gary Streeter (Chair) (in the Chair until Agenda Item 5)
Jim Bewsher
Ken Jones
Tina Fahm
Rt Hon Don Foster MP
Rt Hon Lord Foulkes of Cumnock
Ann McKechin MP
Bronwen Manby
Meg Munn MP (Vice Chair) (in the Chair from Agenda Item 6)
John Osmond
Andrew Rosindell MP
Pete Wishart MP

In attendance

Linda Duffield	Chief Executive
Paul Naismith	Company Secretary/Director of Finance
Alex Romaniuc	Head of Programmes, Europe
Dina Melhem	Head of Programmes, MENA
Tracey Edginton	Strategy & Communications Manager
Philippa Broom	Conservative Party
Nabila Sattar	Labour Party
Iain Gill	Liberal Democrats
Mark Brownjohn	Desk Officer-Elections/WFD, HRDD/FCO
Daniel Davis	Senior Governance Adviser, Governance & Fragile States, DFID
Tamara Moluch	Minute Taker

1. Apologies for absence, welcomes and farewells

Apologies were received from John Glen MP. The Board **welcomed** Ann McKechin MP, newly appointed Member of the Board, as well as Iain Gill, newly appointed Head of Liberal Democrat's International Office and Daniel Davis, the newly appointed Senior Governance Adviser, Governance & Fragile States Department DFID, to their first Board meeting.

The Board took the opportunity to record its appreciation of Hilary Armstrong's contribution to WFD, noting that her term of office as Governor ended in April 2012. They also noted that this would be Meg Munn's last Board meeting as her term of office would end in September and thanked her for her invaluable contribution to the work of WFD. It was also noted that Lorraine Dixon (HR Manager) would be leaving WFD in August.

2. Conflict of Interest Declarations

None declared.

3. Minutes of Board meetings (Document 1)

The minutes of the Board meeting held on 13 March 2012, being an accurate record of the meeting, were APPROVED and duly signed by the Chair.

4. Matters arising not already covered on the agenda.

ACTION POINT 1: The Board noted that, following consultation with Governors and notified to the Board, a **further increase to the Conservative and Labour parties' administrative caps had been approved.**

ACTION POINT 2: The Board noted that plans to mark **WFD's 20th anniversary** (conference and reception) had been deferred until the autumn given higher priority work.

TOPIC FOR DISCUSSION

5. Overview of all programmes 2012-15 (power point presentation)

Linda Duffield gave an overview of WFD's programmes for the coming year including parliamentary, cross-party and party-to-party programmes. She highlighted the opportunity to join up programmes in those countries where regional teams and political parties were currently active as well as for greater cooperation in such areas as women and youth.

The Board found the mapping of all programmes geographically and thematically a useful step towards identifying opportunities for more joined up working. The overview of WFD's work would also feed into the development of a new M&E framework and WFD's review of regional priorities planned for the autumn. Consideration should also be given to putting this information onto WFD's website.

In the discussion that followed, Linda Duffield confirmed:

- WFD would be ready to immediately recommence activities in Egypt once the status of the Egyptian parliament was clear or after fresh parliamentary elections. This would be an extra-budgetary programme;
- Providing opportunities for MPs in other parliaments to learn how the UK Parliament worked was an integral part of WFD's work and every opportunity would be taken to include this when developing programmes;
- Strengthening cooperation with CPA and GB IPU was a priority. She had initiated discussions with CPA, GB IPU and the House of Commons Overseas Office to look at opportunities for cooperation and to share information. At the operational level, regional teams, and in particular the Africa team, met regularly with CPA. The IPU was looking to become more actively engaged in long-term parliamentary strengthening programmes and were keen to join forces with WFD in bidding for funds. They were also interested in joining TWC for any future work;
- Work under the parliamentary and cross-party programme in Bangladesh, which had suffered a number of delays, was now ready to begin;
- Any additions to party programmes for 2012-13 should be notified to Tamara Moluch and Tracey Edginton. They would be included on the next update.

REPORTS FOR INFORMATION

6. Chief Executive's report (Document 2)

Linda Duffield introduced her report, highlighting:

- The Inception Phase of DFID/FCO funding required WFD to demonstrate progress in a number of areas by the end of September. This including final programme log frames (for regional teams) and outcomes, indicators and milestones (for Political Parties). All staff and parties had been asked to complete this work by end-July. This

- would enable the company-wide log frame to be updated and finalised in August as the basis for future reporting and evaluations;
- The development of a company-wide M&E framework had slipped. The M&E Adviser was not now expected to take up appointment until the beginning of October and WFD would need to propose an extension to the timetable for completing this week. In seeking an extension, Governors expressed concern that, whatever the new timeframe, the work should not be rushed. It was important to take time and get this right;
 - Once all parliamentary programmes had been approved by the Board (agenda item 8 below), political Governors would be asked to circulate details on their Party Whips seeking initial expressions of interest from MPs to be involved;
 - Further details of the proposed 20th anniversary celebrations (conference and reception) would be circulated to Governors after the Summer break;
 - A review of WFD's website would be carried out later in the year once work on the Inception Phase had been concluded. Governors recommended the inclusion of field office staff in the organogram and reference to the Parties' websites.

The Board NOTED the report.

7. Audit Committee (Documents 3a-3e)

Of the five reports before the Board, Tina Fahm highlighted:

- Annual Report and Accounts 2011-12: The NAO representative had confirmed at the June Audit Committee meeting that WFD was on course for an unqualified opinion and certificate. The Annual Report and Accounts had been signed by the Chair and CEO at the meeting. Of note was the Governance Statement which, in future, would be more focused towards WFD's beneficiaries.
- Annual Audit Committee's report: 2011-12: The Audit Committee's objectives for 2012-13 which included the tendering and subsequent appointment / reappointment of internal audit services and the planned self-assessment evaluation of the Committee.
- Internal Audit: Annual Report to the Audit Committee for year ended 31 March 2012: Uncharacteristically, the Internal Auditors had been unable to give any assurance following their review of WFD's compliance with recent Anti-Bribery and Corruption legislation. However, once this had been brought to the Committee's attention, prompt action had been taken, notably the organisation of a workshop for key staff and parties in June, and accordingly an addendum to the report would be issued to this effect.
- Risk Dashboard as at June 2012: WFD's short-term risk profile had not materially changed. However, the Risk Register would be reviewed in greater detail in October.

Tina Fahm expressed her appreciation to Committee members as well as the Finance Team in concluding the audit within a particularly tight timetable.

The Board NOTED the reports.

8. Projects and Programmes Committee (Documents 4a-b)

Ken Jones introduced the Minutes of the 26 June PPC meeting which had focused on the new programmatic approach to work.

The Board then APPROVED the following proposals (over £100,000):

Africa/Asia Team	<p>DRC: Increasing Democratic participation in Province Orientale</p> <p>NIGERIA: Enhancing participation & leadership of women parliamentarians</p> <p>AFRICA-WIDE: Supporting regional integration of East Africa Legislative Assembly (EALA)</p> <p>PAKISTAN: Deepening Democratic Engagement in Province of the Punjab</p>
Europe Team	<p>KYRGYZSTAN: Strengthening & widening partnership between Civil Society Organisations (CSOs), local communities & Parliament to address sources of instability</p> <p>UKRAINE: Strengthening citizens' capacity for democratic participation through direct democracy tools</p> <p>WESTERN BALKANS: Strengthening Role of Parliaments in Promoting Competitiveness and Economic Growth</p>
MENA Team	<p>JORDAN: Developing Skills of Jordanian Youth Leaders & Support to the Parliament</p> <p>MENA-WIDE: Enhancing women's leadership in MENA</p> <p>MENA-WIDE: Strengthening the Links between policy makers and policy research</p>
Conservatives	<p>AFRICA-WIDE: Democratic Union of Africa: Skills Development of Centre Right Network Programme</p> <p>WESTERN BALKANS: Centre-Right Party Development Programme</p>
Labour	<p>AFRICA-WIDE: Secretariat for Women's Academy for Africa</p> <p>EUROPE-WIDE: Political Youth Academy</p>
Liberal Democrats	<p>AFRICA-WIDE: ALN - Support for Secretariat 2012-15</p>

9. Terms and Conditions Committee (Document 5)

Jim Bewsher introduced the Minutes of the 26 June 2012 meeting, highlighting:

- The need to appoint a new Chair for the Terms & Conditions Committee as he would be retiring from the Board in November;
- Whilst WFD closely followed FCO's pay arrangements for UK staff, it should be noted that in a number of field offices variations to local pay had been agreed taking into account national employment regulations and economic factors eg. high inflation;
- Concerns were raised about possible delays in the recruitment of a new HR Manager especially as the FCO had requested that WFD present all its planned staffing changes in one Business Case this year. Linda Duffield hoped that a draft of the Business Case would be ready by end-July.

The Board NOTED the report.

10. Parties Management Group

The Board NOTED that the PMG did not meet this quarter.

11. Other Reports

- **Finance Director's report** (Document 6)

Paul Naismith highlighted:

- The full year outcome for 2011-12 of a £10,934 surplus. This represented a £35,924 surplus on grant-in-aid and a deficit of £24,994 drawn from 'Best Practice' fund reserves;
- The small under-spend of programme funds, the absence of need for relocation funds, plus the higher than expected recovery of overheads at year-end, resulted in £78,838 lower GIA than forecast in February. This was in addition to the £52,894 savings given to the Parties in February and March;
- The increased core reserves would be used to fund the predicted relocation of WFD offices now scheduled for 2012-13;
- Bearing in mind the quiet start to the 2012-13 year, all teams and parties would need to be mindful of the requirement to keep activities on track in light of the increased programme funding.

The Board NOTED the report.

- **WFD policy on travel and subsistence** (Document 7)

Further to Cabinet Office guidelines that all departments reimburse staff only for 'expenses which they actually and necessarily incur in the course of official government business', several government departments had moved to paying 'actuals' for all travel and associated costs, including meals and other minor expenses. These included the FCO and DFID, who were now asking WFD to do the same.

WFD had reviewed its policy in light of this. Having regard to the policies of other key partners, including NAO, House of Commons Overseas Offices, and IPU, and having weighed carefully the arguments about reasonableness, proportionality and what represents value for money for WFD, the Board were now asked to consider whether WFD's current policy of paying actuals (against receipts or direct) for all accommodation, flights and other travel related expenditure, whilst retaining HMRC subsistence rates for meals only was the right approach for an organisation of its scale, noting that any other approach would add to administrative costs (staff, IT etc.) that would be disproportionate to any saving that could be achieved.

Whilst the Board felt that there was a clear logic to the process being followed in government departments with access to sophisticated computer systems, they recognised that WFD – with its unique organisational structure (including separate political party teams with their own administrative processes) already had a system in place that meant that WFD was 98% compliant with the new guidelines in its travel and subsistence policy. Accordingly, they unanimously AGREED to approve the recommendation to maintain the *status quo* and requested that Linda Duffield inform the FCO and DFID of this decision.

On a more general point, Governors wanted WFD to have more flexibility to determine its own needs eg. recruitment whilst reflecting as far as possible FCO guidelines. The Chair said, if necessary, Governors would take this up with FCO Ministers.

- **Note on Freedom of Information requests** (Document 8)

The Board NOTED the report.

- **Annual report on The Westminster Consortium Programme 2011-12**
(Document 9)

In NOTING the report, the Board welcomed:

- The forthcoming paper to capture lessons learned in the area of parliamentary strengthening
- That TWC partners were keen to continue their collaboration in some form or other. Linda Duffield confirmed that the future direction of TWC – once the GTF programme came to an end in 2014 - was already being considered by the TWC. The Board would be kept informed of progress and any new programme plans for TWC.

The Board NOTED the report

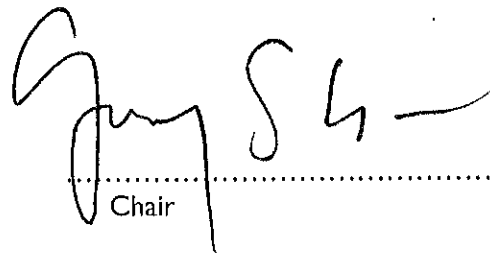
12. Any other business

- The Board AGREED to hold an **Away Day** in November.

ACTION POINT 1: Tamara Moluch to circulate possible dates in November. Governors to let Tamara have suggestions on possible topics for discussion at the **Away Day** before Parliament rises for summer recess.

13. Date of next meeting:

Wednesday, 31 October 2012 at 09.30h



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Chair

Date: 31 October 2012