

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 Wednesday, 31 October 2012**

Present Gary Streeter (Chair)
Jim Bewsher
Tina Fahm
Rt Hon Lord Foulkes of Cumnock
John Glen MP
Ann McKechin MP
Bronwen Manby
John Osmond
Andrew Rosindell MP
Pete Wishart MP

In attendance Linda Duffield Chief Executive
Paul Naismith Company Secretary/Director of Finance
Dina Melhem Head of Programmes, MENA
George Kunnath Director, TWC
Tracey Edginton Strategy & Communications Manager
Nejib Jeridi WFD Country Manager, Tunisia
Philippa Broom Conservative Party
Nabila Sattar Labour Party
Chris Levick Smaller Parties
Sarah Wooten Team Leader, Democracy & Programmes Team, HRDD/FCO
Tamara Moluch Minute Taker

1. Apologies for absence, welcomes and farewells

Apologies were received from Ken Jones as well as from David Osborne (DFID), Iain Gill (Liberal Democrats), Alex Romaniuc (Head of Programmes Europe), Marina Narnor (Head of Programmes Africa and Asia), and Kate Bunbury (M&E Adviser).

The Board **welcomed** Sarah Wooten (FCO) and Nejib Jeridi (WFD Tunisia) to their first Board meeting.

As Jim Bewsher's third and final term of office as Governor was coming to an end in mid-November, the Board took the opportunity to record its appreciation of the invaluable contribution Jim had made not only to the work of the Board but also to its three sub-committees on which he had served.

2. Conflict of Interest Declarations

None declared.

3. Minutes of Board meetings (Document 1)

The minutes of the Board meeting held on 11 July 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.

AGENDA ITEM 6: With reference to the review of **WFD's website** scheduled for later in the year and the recommendation that links be added to the websites of the political parties, John Osmond welcomed the fact that direct links into WFD-work related pages of the websites of Labour and the Liberal Democrats already existed. The Board **AGREED** that, if possible, direct links into WFD-work related pages of the Conservative Party and the Smaller Parties websites should also be set up.

AGENDA ITEM 11: Following the FCO advice that WFD should continue to follow existing **recruitment procedures**, Gary Streeter agreed to follow this up with FCO Ministers given the importance of filling staff vacancies quickly in response to programme and other needs.

5. Appointments to Committees

Due to a number of vacancies on the Board, it was **AGREED** that no further appointments would be made to sub-committees until a final decision had been made by the Foreign Secretary on the size of the Board. George Foulkes and Andrew Rosindell both stressed the potential difficulties in forming a quorum for WFD's sub-committees should the number of Governors be reduced.

TOPICS FOR DISCUSSION

- **In-depth review of Risk** (Document 2 and power point presentation)

In introducing the presentation, aimed at facilitating Board discussion of risk appetite and formalising a WFD Risk Appetite statement, Tina Fahm drew the Board's attention to:

- the Risk Management Review (Internal Audit Report Ref No WFD 11/12-2, December 2011) which had identified a number of key areas for improvement, including the recommendation that 'the Board should discuss the issue of risk appetite ... [which] should then be communicated to all staff to assist them in assessing their risks and the current level of mitigation. The assessment of risk appetite should be regularly revisited to ensure that it remains appropriate to WFD';
- a brief paper, aimed at Board level, summarising principles and approaches that applied to risk management (source: *Risk Appetite and Risk Tolerance*, Institute of Risk Management, September 2011);
- the current WFD Risk Dashboard (as at September 2012).

Paul Naismith gave a brief power point presentation on *Managing Risk in WFD*, which covered:

- i. Board responsibility
- ii. Risk Dashboard and Fundamental Risks (as at September 2012 - showing that fundamental risk levels had remained unchanged since the July 2012 report);
- iii. Current status of risk management
- iv. Examples of practical risk situations
- v. Setting risk appetite
- vi. Example of risk appetite mapping exercise.

The Board welcomed the opportunity to assess high level risks and consider appetite. They found the use of practical risk scenarios (political, security, financial, health, reputational etc), demonstrating the importance of establishing lines of responsibility, parameters and guidelines for the management of risk, particularly useful. The risks facing WFD's in-country partners and field staff were also noted.

ACTION POINT 1: **Paul Naismith to draft a formal WFD Risk Appetite Statement for consideration and approval by the Board, and annual review thereafter. This will assist staff and party officers in assessing and mitigating risks.**

- **Regional strategies – review of programme priorities** (Document 3)

Linda Duffield briefly introduced the annual review of regional strategies. Topics covered, included:

- Political overview of the regions and countries WFD was engaged in;
- Overview and rationale for WFD's current programmes 2012-15;
- Opportunities and priorities for future programming.

Whilst no substantive changes in WFD's agreed country / regional programmes were currently envisaged, a number of areas for possible future work had been proposed: (a) to assist WFD in redirecting resources to where they could have greatest impact should any of the current programmes stall for political or security reasons; and (b) to provide a framework for bidding for future external funding.

The Board supported the development of a realistic and flexible framework for the development of future business. Gary Streeter in particular welcomed this in light of recent indications that DFID would be looking more favourably in the future to supporting governance activities. To this end, increasing WFD's collaborative efforts with other organisations working in the field of democracy building was also encouraged as was a review of WFD's current criteria for country / regional selection.

- **The Westminster Consortium – future business opportunities** (Document 4)

George Kunnath introduced the paper outlining the key outcomes of a discussion with Consortium partners on future business opportunities for The Westminster Consortium. With the DFID-funded GTF programme coming to an end in mid-2013, the consensus was that the Consortium had worked well and had developed strong collaborative partnerships; that it should look for future business opportunities; that it should stay focused on the core areas of governance, democracy and parliamentary strengthening; and that membership may need to change to accommodate new business opportunities. Funding opportunities and countries of future focus were also considered. The views of the Board were sought as the Consortium developed its own thinking.

The Board supported the development of the Consortium's future business direction. There was also strong support for the Consortium continuing to operate under WFD's mandate and strategic priorities.

The Board NOTED the report and asked to be kept informed as discussions progressed.

REPORTS FOR INFORMATION

6. Chief Executive's report (Documents 5a-c)

Linda Duffield introduced her report, highlighting:

- A response from the Foreign Secretary to the **Inception Phase** report was awaited;
- Work on developing the WFD-wide **M&E framework** was underway. An initial work plan had been presented to the recent meeting of the Projects and Programmes Committee and it was expected that the company-wide M&E framework would be agreed by the end of the year;
- The **Change Agenda** had been largely implemented. A decision by the Foreign Secretary on the size of the Board was pending and a review of WFD's staffing due to be completed by the end of the financial year;
- It had been decided to postpone the planned conference on democracy, to be organised in partnership with the British Council to mark WFD's **20th Anniversary** celebrations, to the New Year to allow more time to plan such a major event. The Board would be kept informed of developments.

- It was hoped to organise a reception before the Christmas Recess to celebrate WFD's 20 years and to brief MPs and Peers on WFD's future work. A date would be agreed once a list of all-party MPs to support WFD's programmes had been finalised. The Board requested that former Chairs, Governors and Ministers also be invited.
- The Board supported Linda Duffield's attendance, as representative of the Foreign Secretary, at the forthcoming Bali Democracy Forum, where the UK had observer status.

The Board NOTED the report.

7. Evaluation of Annual Business Plan 2011-12 (Document 6)

Linda Duffield introduced the draft internal evaluation of the Business Plan 2011-12 against the framework of WFD's Strategic Objectives and Corporate Plan. For future years, annual evaluations would be carried out against the new company-wide log frame and would be presented to the Board (and to FCO / DFID) later in the financial year.

The Board WELCOMED the report.

ACTION POINT 2: Governors to submit any comments / amendments on the draft Evaluation of Annual Business Plan 2011-12 to Tracey Edginton by Friday, 9 November, for eventual publication on WFD's website as part of its commitment to transparency.

8. Audit Committee (Document 7)

The Board NOTED the Minutes of the 16 October 2012 meeting of the Audit Committee and welcomed the fact that the appointment process of new Internal Auditors was expected to be completed by the end of the week. Gary Streeter also confirmed that he would meet with The Rt Hon Justine Greening MP, the newly appointed Secretary of State of International Development towards the end of the year to discuss the work of WFD.

9. Projects and Programmes Committee (Document 8)

John Osmond introduced the Minutes of the 24 October 2012 PPC meeting, highlighting:

- Clarification of WFD's policy on honoraria and professional fees;
- Only a small number of projects had been put forward for approval. Of these, the Board should note that: E1 Improving the quality of CSO policy dialogue with the Georgian Parliament represented WFD's financial contribution to a bigger programme funded by the European Commission (total EU/WFD budget of €337,003 of which £69,602.98 was WFD's contribution);
- Kate Bunbury had outlined her initial work plans for the development of a new company-wide M&E framework to support WFD's future reporting requirements. Part of her presentation was a useful one-page summary of the company-wide log frame clearly outlining impact, outcome indicators and outputs which had been circulated to the Board for information.

The Board NOTED the report.

10. Parties Management Group

The Board NOTED that the PMG had not met this quarter.

11. Other Reports

a. Finance Director's report (Document 9)

Paul Naismith highlighted:

- The takeup by September 2012 of the full year £5.5m FCO and DFID funds had been slow, following a pattern seen over the past few years. Paul said he would be meeting with all programme teams to fine-tune their forecasts and stress the importance of accurate quarterly forecasting and rigorous oversight of programme activity to avoid any future funding problems. Unlike the FCO, DFID may be open to deferring funds from 2012-13 to 2013-14. Until further notice, Paul would update the Board monthly on activity spend;
- In order to have a better overall picture of spend, the Board requested that, in future, a narrative expanding on the figures should be provided;
- In respect of possible funding for improved communication tools (website development, more video streaming etc.), Linda Duffield said that WFD would seek to develop this as part of strengthening evaluation tools.

The Board NOTED the report.

b. Note on Freedom of Information requests (Document 10)

The Board NOTED the report.

12. Any other business

- a. The Board DECIDED to postpone the **Away Day**, scheduled for 28 November, until the New Year when there would be a full complement of Governors.
- b. The Board AGREED the proposed **Calendar of Board and sub-committee meetings 2013**.

13. Date of next meeting:

Wednesday, 31 October 2012 at 09.30h

Chair

Date: 31 October 2012