

Westminster Foundation for Democracy

Company number: 2693163

Minutes of Meeting of Board of Governors of Westminster Foundation for Democracy in W3, Westminster Hall on 28 February 2018

Present: Sir Henry Bellingham MP (Chair)
Rushanara Ali MP (Vice Chair)
Andrew Rosindell MP
Sir Jeffrey Donaldson MP
Dame Margaret Hodge MP
Patrick Grady MP
Thomas Hughes
Sue English
Anthony Smith (CEO)
Paul Naismith (Finance Director)

In attendance: Kerrie Doogan-Turner (Board Secretary)

1. Apologies

Simon Walker sent his apologies.

2. Declarations of interest

No new interests to declare.

3. Matters arising

Minutes of meetings held 29 November 2017

Anthony Smith updated on the action points from the meeting held 29 November.

- Policies on travel, branding and consultancy rates had been updated in line with Board recommendations.
- A draft letter to the Home Office on behalf of the Board regarding visas for participants in WFD programmes was being prepared.
- November minutes to be amended to reflect Rushanara Ali and Margaret Hodge distinct views on continuation of the programme in Myanmar.

Update items

4. CEO's report

Sexual harassment

Anthony Smith outlined steps being taken to ensure a robust system is in place to handle situations of sexual harassment for WFD staff and participants in WFD programmes.

- WFD to support steps for Westminster Parliament to act upon accusations of sexual harassment during WFD activities in the UK and overseas.
- WFD to identify what steps can be taken in relation to Westminster procedures.
- In response to the Oxfam scandal, WFD along with members of the European Partnership for Democracy and UK based organisations like CPA-UK have developed a joint pledge to obtain formal references and develop an alert system that would inform other organisations of inappropriate behaviour.
- A review of general safeguarding responsibilities will take place as WFD programmes expand to work with at risk groups, including young people, persons with disabilities and women.

Programmes funding

Funding was successful for a programme surrounding the Commonwealth Heads of Government meeting in April. The programme will not be announced publicly at the end of March.

Myanmar

WFD will give evidence to the International Development Committee on 14 March in relation to Department for International Development (DFID) funded work in Myanmar.

A request was made for the different opinions of the Board to be reflected in the evidence given by WFD.

5. WFD 2018-19 Budget

For Approval

CEO update on funding (continued)

Anthony Smith updated on the discussions regarding WFD's budget for 2018-19 and beyond with the Foreign and Commonwealth Office (FCO) and DFID.

- Regarding FCO funding, a modest increase (from £3.5 million to £4 million) has been submitted by the Human Rights and Democracy Department.
- Regarding DFID funding, there have been limited signals regarding levels of funding and delays are anticipated in a decision as a result of the change in Secretary of State last year.

- Henry Bellingham and Rushanara Ali wrote to Secretary of State, Penny Mordaunt outlining a bolder approach and significant increase for the Foundation to deliver a stronger level of work in the democracy support area.
- Ministerial meeting will take place on 15 March with Harriett Baldwin and Lord Ahmad, only after this meeting will a specific funding agreement be submitted.

The Board noted the impact delays in funding decisions will have on organisational operations, including retention of staff.

Budget

Given the funding context, assumptions have been made about the 2018-19 budget, including:

- A small increase in core funding
- Presumed increase in third party funding
- Impact of 2017 election results on short formula for party funding, mainly that two political parties would have 90% of funding

Anthony Smith outlined the need to invest in systems to ensure a good control environment. He noted the level of investment will depend on the funding outcome and recognised the primary purpose of the organisation was to implement programmes, however investment in year one of the funding cycle would mean better programme delivery in the following years.

Integrated programmes

The 2018-19 budget proposes reducing the amount for integrated programmes (combined political party and parliamentary programmes) from 15 per cent to 10 per cent. While some programmes like Ghana, where there are strong UK sister party relationships had been successful, others like Kyrgyzstan, where the relationships with UK parties are more tenuous, had struggled.

A discussion took place about the benefits of the integrated model. Some Governors thought this approach to programming should be WFD's first preference and noted the impact it could have on funding of political party work.

Anthony Smith agreed it was about choosing the right place with the right level of interest for joined up programme work. He stressed that the reduction in integrated programme budget would not mean a reduction of collaboration between political party and parliamentary programmes but more flexibility to develop opportunities to work together. This collaboration would be explored in more depth at the Board Away Day in April where annual plans would be discussed.

Political parties

The management provision for political party offices and the level of programme funding were raised.

The 2017 election results mean 90% of funding should be allocated to the two biggest parties, however this risks a significantly squeezed budget for the other two political party offices, including the viability of the office itself.

The budget proposes a move away from fixed percentages for each office in terms of management and proposes to ensure every office has set levels of administration management resources, including minimum funding for a senior and junior position.

The Board raised concerns about the levels of spend on administration rather than projects, especially in the context of austerity across all public spending.

Anthony explained that whatever the level of programme funding (minimum of £150,000), assurances should be in place to ensure effective management of funds, regardless of the size of parties in Westminster.

Some Governors questioned a move away from the short formula as it would impact on funding for two main political parties in Westminster. Other Governors felt this was appropriate to meet due diligence for programmes and accommodate WFD organisational growth.

Anthony Smith reminded the Board that the Foundations aim is to share the diversity of the UK democratic experience, including experiences from the devolved assemblies. The last two WFD strategies have made this commitment. The proposal is not to overturn the short formula but to ensure a minimum level of funding for effective programming.

The Board agreed that a final decision on the budget could not be made until confirmation of core funding came from the FCO and DFID.

vised with additional options and recommendations for Board

6. Report of Audit and Risk Assurance Committee, 22 January ***For information***

Thomas Hughes, Chair of the Audit and Risk Committee, outlined the main points from the meeting held 22 January, including:

- The review of costs (£250,000) over £200,000 of which related to the office move.
- Outstanding internal audit recommendations were reviewed:
 - Guidelines on expenses and costs (in relation to conferences) as well as the travel and expense policies are under review
 - Completion of the business continuity plan and local security plans are progressing
 - Lists of countries with pending registration
- The internal audit contract is up for renewal and a small increase in the number of days required is anticipated to address data protection and GDPR recommendations.
- Management accounts were reviewed and the team has reduced the current deficit from £90,000 to around £40,000 through uncompleted projects and disallowed expenditure.
- The corporate risk register was reviewed without amendments.
- Training needs of ARC members as well as the role of political party representatives were also considered.

7. Report of Programme Quality Committee

Sue English, Chair of the Programme Quality Committee (PQC), outlined the main points from the meeting held XX January: Most in report already covered –

- The Red, Amber, Green (RAG) rating methodology was reviewed and the Pakistan programme was identified for further discussion at the next meeting.
- The difficulty of obtaining visas to participate in UK based programme activities was raised again.
- The recent evaluation of WFD's work was reviewed and generated good ideas about how to work better in the future.

8. Quarterly progress report

There were no questions in relation to the quarterly progress report, which includes updates on income and expenditure, percentage of administrative costs and performance of programmes.

9. Any Other Business

Anthony Smith updated on the following:

- **All-Party Parliamentary Group on democracy support** – Various potential titles have been suggested, discussions are underway with party offices and exploration of interested members and Chairs is underway.
- **Accommodation issues** – Political party offices based in the parliamentary estate have a formalised agreement to remain on the estate.
- **Conference to mark centenary of UK women's suffrage** - Harriet Harman has engaged WFD, among other organisations for support in organising a conference to mark 100 years of women's right to vote in the UK. WFD's

contribution would involve sponsoring international participants to participate, where it is inline with current programming.

