Minutes of Meeting of Board of Governors of Westminster Foundation for Democracy, on 18 June 2020

Meeting VIA ZOOM: 9:30-11:30am

Present: Richard Graham MP (Chair)
Sue Inglish (Vice Chair)
Christine Jardine MP
Mark Babington
Patrick Grady MP
Anthony Smith (CEO)
Thomas Hughes
Simon Walker

In attendance: Chris Lane (Company Secretary)
Joyti Mackintosh (Finance Director)
Lizzy Millar (Board Secretary)
Fulvio Menghini (Heads of Communications) for item 6 only

1. Apologies

The Board noted the following apologies for absence:

Dame Margaret Hodge MP
Rushanara Ali MP (Vice Chair)
Louise Collings (Head of Finance)

The meeting was quorate.

2. Declarations of interest:

None were raised.

3. Minutes and matters arising:

The Board approved the minutes of 27 February 2020 with all actions complete apart from:

Action 2: Board away day had been postponed because of COVID-19. The Board agreed that, subject to COVID-19 considerations, the Board meeting currently scheduled for 10 September 2020 should be extended to allow for a Governors’ away day.

Action 4: Engagement plan to be covered by item 10 in the agenda

Action 5: Since last Board, Helen Mealins and Atish Gonsalves have been co-opted to the PQC and Khalid Hamed has been co-opted to the ARC. Helen brings expertise
in international governance, evaluation and monitoring; Atish in e-learning and Khalid in public auditing. It had not yet been possible to co-opt any additional member to the People Committee, although efforts are ongoing. The Board welcomed them all warmly.

**Action 10:** WFD Management is to prepare an options paper reviewing the current PPO allocation methodology and proposing a range of alternatives ready for a Board discussion at the Board meeting in February 2021.

**Action 12:** No comments had been received from Governors on the proposed Board priorities for 2020-21 (namely WFD strategy and new opportunities, risk appetite and sustainability, programme impact, and Board effectiveness). As such, the priorities could be deemed agreed.

4. **CEO’s Report:**

The CEO summarised highlights of his written report. WFD had rapidly responded to the pandemic by pivoting programmes and providing staff the capability to work from home. Whilst the funding outlook for this financial year seemed stable, the CEO advised that the next financial year would be a great deal more uncertain. Business was continuing and WFD had recently received new grants to run activities in Armenia and the Philippines.

The immediate focus would be on identifying ways to make a case for democracy and human rights at the heart of the combined FCO and DFID, contribute evidence to the Integrated and Spending reviews, and build stronger relationships for strategic and operational collaboration with other arms-length bodies such as Wilton Park and the British Council, and the FCO. Additional investment will be critical to address the democratic governance issues exacerbated by the pandemic.

The Board accepted the CEO’s report as presented and noted that there were risks and opportunities in the proposed merger of FCO and DFID. WFD will need to monitor these closely and prepare for a range of scenarios, including both challenges, such as the anticipated fall in the value of 0.7% earmarked for overseas development assistance, and the positives such as a clear set of UK outcomes and priorities.

The Board supported Management’s efforts to engage with other arms-length bodies and welcomed the proposal, made to the FCO, to establish a working group to focus on the building the UK’s role in defending and advancing democracy following Brexit and COVID-19.

**ACTIONS:**

- Chair to send a letter to the Foreign Secretary setting out WFD’s position on additional steps to be considered as part of the merger and Integrated Review.
- CEO to circulate, once developed, WFD’s proposed submission to the Integrated Review and Spending Review for Board member comments.

5. **Board Governance**
The Board accepted the Governance paper as presented. The Board noted that the Framework Agreement with the FCO had now been signed on behalf of the FCO and WFD and welcomed the appointment of new co-opted members to the ARC and PQC.

The Board noted an update on the preparation of the draft Annual Report & Accounts and the external audit process, currently underway.

**DECISION:**
The Board resolved to approve the delegation of authority to the ARC to approve Annual Reports & Accounts for FY 19-20.

**Oversight and Performance Monitoring**

6. **Report of Programme Quality Committee (PQC) meeting, 13 February and 4 June 2020**

Thomas Hughes provided a verbal update on the key matters arising at the recent PQC meetings:

- successfully pivoting activities to online delivery or outcomes to respond to the pandemic.
- enabling parliaments to carry out post-legislative scrutiny of emergency laws.
- expanding the thematic focus on inclusion (giving examples of programmes involving women leadership in Nepal and Maldives and PWD in the Philippines).
- enhancing the use of the Evidence & Impact Hub.
- launch of the new global Pandemic Democracy Tracker.

The Board welcomed the launch of the new Pandemic Democracy Tracker. Board members suggested that the UK should not be included in the tracker, but similar information could be hosted by a partner, for example the Institute for Government, and signposted by WFD.

7. **Report of Audit and Risk Committee (ARC), 11 February and 8 June 2020**

Mark Babington gave a verbal update on matters arising at the recent ARC meetings.

Under its delegated authority, ARC will convene on 6 July 2020 to review and approve the draft annual report and accounts for FY 2019-2020.

BDO was currently testing data provided by WFD to comply with a new accounting provision, IFRS 16, relating to the treatment of leases. WFD had also requested and was now waiting for the final version of a letter of comfort from the FCO.

Mark explained that the letter of comfort would amount to an assurance that WFD’s obligations would be met over at least a 12-month period and would enable the Board, acting through the ARC, to approve the accounts as a going concern. This did not need to be noted in the annual accounts nor raised with donors.

The Board noted that the meeting on 11 February had not been quorate. However, the Vice Chair, Sue Inglish, had kindly agreed to join part of that meeting to ensure key agenda items could be fully considered.
A series of internal audit reports had been presented to the ARC at its February and June meetings, together with an annual internal audit opinion. Through these, the ARC had received assurance on the finance system migration, Nigeria Country Office operations, cybersecurity, and business continuity planning.

8. **Report of the People Committee, 3 February 2020**

Patrick Grady gave a verbal update on matters arising at the recent People Committee meeting.

The People Committee had identified a prospective co-opted member with expertise in HR at the FCO, but COVID-19 had delayed these discussions. The Committee would continue to seek to secure safeguarding expertise.

At its meeting, the People Committee had re-emphasised its role and availability to act as a sounding board to any member of staff who wished to raise a concern about Management. This would not involve the committee becoming a formal part of the HR appeal process for grievances or disciplinary matters. This did not reflect any increase in staff complaints.

The Board endorsed the People Committee’s intention to secure safeguarding expertise for the Committee as this could provide a focal point for staff and greater assurance to the audit on code of conduct.

The CEO raised a separate point related to the Multi-Party Office (MPO), which coordinates programming by, and represents, the smaller parties represented in the House of Commons. WFD had started discussions with the Head of the MPO to explore opportunities to improve the current structure and support for the MPO. This would involve bringing the MPO in-house as a hosted programme office, overseen by a new Steering Group of consortium members, chaired by Christine Jardine MP, and supported more directly by WFD.

Discussions between WFD and the Head of the MPO were positive and ongoing. Chris advised that the WFD was developing a transition plan and that the two staff members of the MPO would be fully consulted as part of the process, including through a formal process required by the legal rules on business transfers. A tentative transfer date of 1 October 2020 had been proposed.

The Board welcomed the proposal and requested a more comprehensive briefing at the September meeting.

**ACTIONS:**

- **People Committee** to continue efforts to secure a co-opted HR specialist from the FCO and a safeguarding specialist to the People Committee.
- **Management** to consult with the Vice Chair and People Committee Chair on options to ensure that the Board is able to champion safeguarding and receive regular assurance.
- **Management** to provide a briefing at the next Board meeting on the plans to change the structure and support for the MPO.
9. Quarterly Progress Report
The performance information in the Board Progress Report and the Key Deliverables and KPIs (Doc 4) and the updated Corporate Risk Register including commentary paper and update on safeguarding (docs 5a and 5b) were accepted by the Board as presented.

The Board noted that, since the last Board meeting, Management had been focused on three key risks: the funding outlook for the short and long term; safeguarding; and safety and security of staff and, in particular, implementation of WFD’s Pandemic Response Plan designed to protect staff and partners.

10. Communications Plan and Board Engagement
Fulvio Menghini presented item (doc 6).

Highlights included the launch of Pandemic Democracy Tracker and a series of online thematic events designed to raise awareness and forge partnerships.

Fulvio asked Board members to participate in or contribute to a series of thematic events:

- June – Richard and Rushanara to lead an online discussion on democracy and trade in their capacity as trade envoys, chaired by CEO.
- September – launch the UK Elections Hub.
- October – support democratic governance across the world.
- November – promote data, technology and civic space.

Fulvio asked that Governors share digital comms through their own channels, raise the WFD cause in Parliament, recruit other MPs for WFD activities, contribute more op-eds and help reform APPG at Westminster.

The Board thanked Fulvio and asked that he engage with each Governor.

The Chair reminded Governors to do everything they could to help promote global democracy, such as talking about their own first-hand experiences of overseeing WFD projects.

ACTIONS:
- Board members to send feedback and suggestions for communication and engagement opportunities directly to Fulvio.
- Management to make arrangements for a Board away day on 10 September 2020, subject to COVID-19 considerations.

AOB
The CEO advised that WFD has been notified by the Cabinet Office of a requirement to conduct an appraisal process for Governors. The Board noted that Chris is liaising with the FCO on this as it is keen to see a consistent process for ALB Boards.
Management will engage with Board members on this process prior to the next Board meeting.

**Date of the next meetings:**
10 September 2020 – away day
26 November 2020