



MINUTES OF THE CHS ALLIANCE INTERIM BOARD, 12-13 OCTOBER 2015

International Environmental House #2, Chemin de Balxert 7-9,
1219 Châtelaine, Geneva, Switzerland

PRESENT:

John Beverley (JB), Joan Coyle (JC), Véronique de Geoffroy (VdG – Items 1-7), Anne de Riedmatten (AdR – 1-9), Robert Glasser (RG, Chair), Nick Guttman (NG), Jacquie Heany (JH), Loretta Hieber-Girandet (LHG – Items 1-6 and 8-9), Thea Hilhorst (TH), Camilla Knox-Peebles (CKP – 1-9), Takeshi Komino (TK – Items 1-9), Bijay Kumar (BK), Sajid Qaisrani (SQ), Willem van Eekelen (WvE), Jeff Wright (JW)

IN ATTENDANCE:

Carol Curran (CC, minutes only), Judith Greenwood (JG), Esther Hamilton (EH – Item 9 only), Patrick Hartmann (PHar – Items 8-9), Pierre Hauselmann (PHau – Item 6), Christine Knudsen (Items 1-6)

APOLOGIES:

Annabel Cruz (AC), Mudasser Siddiqui (MS), Di Willis (DW)

MONDAY 12 OCTOBER 2015

ACTION

1. APOLOGIES, WELCOME AND DECLARATIONS OF INTEREST

RG welcomed everyone to the meeting in particular Christine Knudsen from Sphere. This was the first face-to-face Board meeting since the Nairobi launch and the first opportunity for some Board members to meet some of the staff. All those present introduced themselves and apologies were noted. There were no declarations of interest.

The agenda was accepted. The order of business on 13 October was subsequently amended to accommodate trustee and staff availability.

2. MINUTES OF THE LAST BOARD MEETING HELD ON 27 AUGUST 2015

The minutes of the last Interim Board meeting on 27 August were adopted.

3. MATTERS ARISING NOT APPEARING ELSEWHERE ON THE AGENDA

There were no matters arising. It was agreed that a list of actions should be created which would be updated and circulated after the Board meetings to monitor progress.

Action: CC to create and circulate a list of actions.

CC

4. UPDATE FROM ED

JG spoke to her report highlighting the successful launches in London and Geneva; the series of meetings and visits she had had with Marian Casey-Maslen and Jonathan Potter in Switzerland and the UK respectively; her welcome letters which had been issued to members; the work completed on verification; and the Statement submitted to the World Humanitarian Summit (which was tabled). It had been both a challenge and an advantage that she had not worked for either of the Alliance's predecessors. She had met with only a willingness to make the new organisation work, and positive feedback from donors and sponsors who were glad that the work of both organisations would continue in future. Although the two staff teams had different cultures, regular meetings were being held for all staff every two weeks and the Senior Management Team (SMT) was meeting on a monthly basis. She had attended two meetings of the CHS Management Team (comprising the CHS Alliance, Sphere and Groupe URD).

In terms of the areas of concern:

- (a) Additional funding that the Alliance had anticipated receiving was being diverted to the migrant crisis in Europe.
- (b) She had been encouraged about membership renewals following further contact with members.
- (c) The merger was not yet complete and the reality was that there were now three organisations with one ED.
- (d) There was still a lack of understanding within the sector about the CHS architecture, and confusion existed about the Standard and the work of the CHS Alliance.

Upcoming activities included a two-day staff meeting in Geneva in November, at which work would continue on the strategic plan using the outputs from the Board discussions planned for the following day (Agenda Item 7). Establishing a good working relationship with the Humanitarian Quality Assurance Initiative

(HQAI) would be a priority once its new ED had been appointed.

The Board had requested an update on progress with its four objectives, which JG cautiously placed at amber. These would be considered further at different points within the agenda.

Of note from the ensuing discussion were:

- (a) There was an expectation amongst some members that they had to undertake certification. The only requirement for members in relation to the CHS is self-assessment; however, not everyone within a member organisation was aware of this.
- (b) CHS training had taken place according to the HAP workplan which was already in place. Locations for 2016 would be decided at the November staff meeting.
- (c) Non-members would also require training and opportunities for joint training with other organisations should be considered.
- (d) The CHS Management Team needed more technical discussions to ensure consistency of CHS messaging.
- (e) Materials were being developed to support membership contacts/focal points with the internal discussions that they would need to have during the renewal process.
- (f) Resources needed to be allocated to developing a single organisational culture.
- (g) People In Aid's charitable status was a valuable asset particularly as it was a requirement for access to some funding sources. The UK Branch cannot be a charity. It had not yet been resolved whether the charity registration could be maintained.

5. INTRODUCTION AND MINI-INDUCTION ON CHS ALLIANCE AND WHAT WE DO

JG presented an updated version of the induction which had been previously circulated. This covered the vision, organisational design and structure, strategic objectives, CHS structure and the nine commitments.

Action: CC to circulate revised presentation.

CC

The presentation was discussed at length and the following was of note:

- (a) There were few members in the USA, where there were concerns around

certification and the relevance of the CHS to development. Improving engagement in the US should be considered at the next Board meeting (e.g. NGO consortia, Interaction, USAID, Affiliates, Board contacts, etc.)

**NEXT
AGENDA**

- (b) The staff structure would not be changed immediately but would be discussed at the November staff meeting. Staff members were clear about their roles. JG had too many direct reports, and had not yet confirmed who would act as her deputy. The financing strategy, linking funding and activities, was missing. People capacity and development should feature across the organisation.

Action: JG to review staff structure in relation to funding for activities.

JG

- (c) The aim was to achieve 25% of income from membership fees.
- (d) There were some concerns about the values and whether these had been endorsed. The CHS had been written from the viewpoint of affected communities but this was not reflected in the Alliance's values and strategic objectives. The values should be aspirational and it should be explicit that members and non-members can use the CHS as they wish. It was reported that the wording of the values had been confirmed in Nairobi, and the objectives developed for use in funding submissions for the next three years based on feedback from members at that time. It was agreed that revision of the values should be considered at some point in the future; however, the focus should be on development of the strategic plan which would be considered under Agenda Item 7.
- (e) The Swiss registration had been more challenging than anticipated. This had been obtained the previous week and the next stage was establishment of the UK branch. The People In Aid Board would be discussing this on 14 October; it was paying close attention to progress, with Emma Firth and Carol Curran undertaking most of the work. Emma and Patrick were preparing closing balance sheets for both organisations ahead of the transfer.

It was agreed that discussion of Federation Membership would be deferred to Agenda Item 8.

6. CHS VERIFICATION SCHEME

PHau gave a high-level presentation on the Verification Scheme and his detailed paper was noted:

- Verification is not an end in itself but a tool and it is not the sole or main activity of the Alliance. The Scheme, managed by the Alliance, is a set of policies and requirements for CHS verification. Third-party verification and

certification would be undertaken by the HQAI.

- The Scheme has been field-tested by 40 organisations in 2014-15.
- There are three options: (i) self-assessment, (ii) third-party verification and (iii) certification. These are stand-alone but structured to facilitate transition from one option to the next.
- All organisations are welcomed and encouraged to use the CHS and the Alliance's tools to suit their situation.
- It is a requirement for members to undertake self-assessment within two years of joining, then on an annual basis.
- Third-party verification and certification are not a requirement for membership.
- The initial steps for third-party verification and certification are the same but they have different outcomes: the former results in an independent continuous improvement plan and the latter is a pass/fail test. Summaries of the assessments would be valid to meet the membership requirement, thus removing the need for members to also complete self-assessment. Summary reports would be publicly available.
- Certification is valid for four years.
- The Alliance (not HQAI) provides support to organisations wishing to adopt the CHS.

Following discussion, it was agreed that the following were key factors:

- (a) Clarity with regard to the links between the Alliance and the HQAI.
- (b) Clarity with regard to governance of the HQAI.
- (c) Further work on the indicators and the details of the Scheme.
- (d) Ensuring the Scheme's structure is fit for purpose and for the future.
- (e) The role to be played by affected populations.
- (f) Confidence in third-party verifiers.
- (g) Affordability for small NGOs.
- (h) Donor requirements should not include either third-party verification or certification.

It was agreed that it was difficult for the whole Board to discuss the Scheme effectively. A sub-committee would be convened, with delegated authority to work with staff to further develop and refine the Scheme incorporating Board and external feedback. The sub-committee would seek Board approval of the revised draft. TK, CKP, BK, NG, SQ and VdG were nominated to join the sub-committee.

**TK/CKP/
BK/NG/
SQ/VdG**

Action: JG and PHau will follow up with the sub-committee members.

JG/PHau

Action: CC to circulate presentation.

CC

TUESDAY 13 OCTOBER 2015

7. FORWARD LOOK AND DISCUSSION

Board Members worked in groups to discuss the strategic objectives. A summary of the agreed actions is as follows:

- (a) Updating the Theory of Change document.
- (b) Focusing communications with strong messaging on what we do, not on what we don't do.
- (c) Wordsmithing regarding governance and role of HQAI.
- (d) Changing the emphasis of the website and the Verification Scheme.
- (e) Plan strategic communications with Sphere, Interaction, etc. around the Verification Scheme.

Action: JG to feed the outputs from the discussion into the November staff meeting for planning purposes.

JG

9. FUNDRAISING

JG presented a brief overview of fundraising for the CHS Alliance, outlining the funding sources, the funding gap for 2015 and the mitigating action.

Action: CC to circulate presentation.

CC

EH presented the fundraising strategy highlighting the changes requested by the Board. The emphasis, originally on philanthropic sources, had been changed to government donors. The focus would be on short-term quick wins to fill the 2015 funding gap, and then in the longer-term more sustainable sources of income (government, trusts and foundations). Following discussion, it was agreed:

- Action:**
- (a) FRA to share the funding pipeline with the Board. **FRA**
 - (b) JG/EH to seek help where appropriate from Board members with reviewing submissions or speaking to donors on the Alliance's behalf. **JG/EH**
 - (c) Board members to consider opportunities for the Alliance to seek funding when obtaining information for their own organisations. **ALL**
 - (d) TK to assist with translating the CHS into Korean to engage with Korean NGOs and donors. **TK**

- (e) JG/EH to approach donors for additional support during this transition period in response to fulfilling their request for a single standard. **JG/EH**
- (f) JG/EH to update the strategy to include the investment required, targets for specific sources and mapping potential funding streams onto the strategic objectives. **JG/EH**

The aim during the shorter term would be to ensure financial viability, and then to build membership to increase influence.

8. FINANCE, RISK AND AUDIT (FRA) COMMITTEE

8.1 REPORT FROM MEETING ON 6 OCTOBER 2015

JB reported on the meeting held on 6 October, the draft minutes of which were tabled. The FRA Committee was continuing to meet on a monthly basis to allow close monitoring of the budget although an overall view of actuals had not been available until the last few days. Work was continuing to finalise 'good enough' financial policies in November. FRA had been alarmed by the membership paper which indicated that 70 members were in arrears with membership fees.

Action: JG/PHar to ask Board members to approach members whose fees remain unpaid where appropriate. **JG/PHar**

The combined management accounts were tabled, and the mismatch of financial years between the two organisations highlighted. The combined total income for 2015 was CHF 3.1m and the expenditure CHF 3.7m resulting in a deficit (including the pipeline income) of CHF 536,312. The reasons for the gap include: the merger costs (CHF 211,205); work on the merger deflecting HAP from fundraising; HAP previously submitted multi-year proposals but this was not possible in 2015 with the merger on the horizon; anticipated funding being diverted to the migrant crisis in Europe.

JG outlined the strategy to address the funding gap:

- Multi-year proposals had been submitted to a number of institutional donors. JG was confident in CHF 1m being agreed but more cautious about the potential CHF 1.5 being realised.
- Work was continuing on obtaining earlier payment of funding from corporate partners.
- Debt recovery for membership fees.
- More systematic cost recovery from funding of activities.

- Identifying efficiencies in the organisational structure.

During the ensuing discussion, the Board members raised a number of queries, suggestions and requests:

- How much will the deficit be reduced this year and next?
- What is the reserves policy and how long will it take to re-establish the reserves?
- The structural deficit should be removed.
- What are our core costs?
- Priority should be given to those activities which meet the objectives.
- A one-page funding matrix should be developed which indicates the potential income and the likelihood of receiving it.
- Can recruitment be phased, staff seconded to provide expertise or activities pushed into next year?
- Any approaches by Board members to donors on behalf of the Alliance should be co-ordinated with JG.
- Will there be a need to seek a loan or additional emergency funding from donors and/or members?

Action: JG/FRA to respond to Board queries and requests. **JG/JB**

Action: RG to attend the next People In Aid Board meeting teleconference on behalf of the Alliance.. **RG**

Action: CC to circulate the draft minutes and combined management accounts. **CC**

8.2 RISK MATRIX FOR CHS ALLIANCE

The risk matrix was noted.

Action: Board members to send comments on the risk matrix to JG. **ALL**

8.3 FEDERATION MEMBERSHIP

The paper was noted. It had been agreed earlier in the year that discussion of the fees would be deferred to a later date to allow time to discuss them with potential Federation members. FRA had considered the proposal that there should be a stepped approach to fees, i.e. CHF 25,000 for Federations with up to 10 members and an extra CHF 250 for each additional member. This would represent an increase of 119% for one member so FRA believed it was more prudent to apply the transitional arrangement of the combined 2015 fee plus 5% for 2016.

The Board agreed that the Alliance should be transparent with Federation members: an approach should be made indicating that the organisation would like to charge CHS 25,000 but would invoice for the transitional fee, and ask them whether they are in a position to help close the gap.

Action: JG/CC to make personalised approaches to Federation members regarding the 2016 fees. **JG/CC**

11. BOARD COMMITTEES – NOMINATIONS TO INTERIM COMMITTEES

The proposal for nominations to the Interim Committees was noted and approved for expediency.

Action: JC/JW to recruit two members to the Membership and Nominations Committee in accordance with the proposal. **JC/JW**

Action: JG to invite AdR to join the FRA Committee. **JG/AdR**

Action: JG to transfer the HAP Complaints Committee to the Alliance, providing re-training as necessary and ensuring sufficient people management expertise amongst its members. **JG**

10. COMPLAINTS POLICY AND PROCEDURES

The policy and procedures document was noted. It was agreed that there needs to be a policy for handling complaints against the CHS Alliance. However, it was believed that the organisation does not have the authority to handle complaints about members. The membership policy and complaints policy would need to be in alignment to support this. The policy was agreed as an interim measure for review after a year.

**JG/
OCT '16
AGENDA**

Action: JG/CC to clarify the situation with regard to handling complaints against members. **JG/CC**

12. DRAFT GOVERNANCE MANUAL AND BOARD MEETING SUBSIDY POLICY

The Governance Manual was noted and considered to be a good document. During the discussion, it was noted that:

- (a) If the three office holders had to make delegated decisions in between Board meetings, these decisions would need to be ratified at the next Board meeting.

- (b) According to the Statutes, there should be 15-17 Board members. There are currently 18 and one other is due to be recruited. This inconsistency is covered by the decision made at the launch in Nairobi where all the Board members were named and approved.
- (c) Some Board members were uncomfortable with the provision for payment of Board members for providing services to the Alliance. This is a standard provision under UK charity law. It was agreed that this should be removed from the Manual and this situation treated as an exception to be agreed at a Board Meeting should it ever arise.

Action: JG to delete the section on payment of board members from the Governance Manual **JG**

Action: JG to clarify the position with regard to liability of Board members and the need for professional indemnity insurance. **JG**

The Board Meeting Subsidy Policy was discussed and approved subject to the following amendments:

- (a) Applications for the subsidy must be made at least a month prior to the meeting to take advantage of cheaper tickets.
- (b) The subsidy should be granted for a period without the need to apply for each meeting.
- (c) Applications should be considered on a case-by-case basis (by person).
- (c) Transport to the airport in the country of residence should be covered at cost (not a flat fee).

Action: PHar to update the Board Meeting Subsidy Policy. **PHar**

13. IN CAMERA ITEMS

14. ANY OTHER BUSINESS

It was proposed that consideration be given to aligning the reporting required from members with their own annual reporting year.

Action: CC to review options for aligning members' reporting year with the Alliance's reporting requirements.



15. DATE OF NEXT MEETINGS

The proposed dates were noted. The April meeting would be face-to-face in London, and the January and July meetings would be held via teleconference.

Action: CC to circulate a doodle poll to confirm the meeting dates.

CC