

WSUP Board Meeting
WSUP
8-12 New Bridge Street, EC4V 6AL
18th August 2016

Participants

Day, William (Chair)
Birch, David (Independent)
Gill, Jonathan (Unilever)
McCummiskey, Jim (Borealis & Borouge)
Pankhurst, Helen (CARE)
Simons, Karl (Thames Water)
Tyrrel, Sean (Cranfield)

Apologies

Marmot, Rebecca (Unilever)
Mitchell, Ed (Independent)
Scott, David (Independent)
Thomas, David (Mott MacDonald)
Westcott, Rachel (WaterAid)

In Attendance

Bacon, Nathan (WSUP)
Jeffery, Neil (WSUP)
Lamb, Alastair (WSUP)
Martin, Robert (WSUP)
Peacock, Bill (WSUP)
Rajesh, Madhu (WSUP)
Walsh, Anne (WSUP)
Wilde, Chris (WSUP)

Minutes & Action Points

1.1 Welcome & Apologies

Will Day (WD) welcomed the Board to the meeting, and introductions were made for the benefit of the new Directors.

There were apologies from Rebecca Marmot, Ed Mitchell, David Scott, David Thomas & Rachel Westcott.

1.2 Approval of Minutes of Last Meeting

The Board approved the minutes of the last meeting and there were no matters arising.

1.3 Approval of the agenda and matters arising

WD introduced the Agenda, and there were no additions.

1.4 Conflicts of Interest

There were no conflicts of interest.

1.5 Company Secretarial and Membership

The Board noted and approved the nomination of Karl Simons (KS) as the Director for Thames Water.

Chris Wilde (CW) discussed his recent trip to India, and elaborated on the continuing process to transfer shares for the ownership of WSUP Advisory India from Neil Jeffery (NJ) to WSUP India. CW clarified that the process would be resolved shortly.

CW informed the Board that the Charity Commission had approved the application for the WSUP Foundation, and that we planned to have the first meeting of Trustees of the charity in the near future. WD explained the proposed role for charity to new members.

[Action – NJ to organize the first meeting of the Trustees of the WSUP Charity]

The Board amended their previous resolution of 25th February 2016 to suspend SmartLife operations as of 31st March 2016 to suspension as of 30th June 2016. This was to allow time for the company to appropriately resolve all remaining issues related to shutting down of the business entity, and comply with all local regulations.

CW updated the Board on the progress in opening HSBC & SCB bank accounts in Bangladesh.

The Board noted the changes in credit card arrangements.

WD noted the fact that due process was followed in regards to the breaches of the Business Ethics Policy. The Board discussed the two incidents listed in the Company Secretary's report. The WSUP Board highlighted that the Clean Team Board will need make a decision on whether to follow up the alleged embezzlement incident by a member of Clean Team staff with the due legal process.

[Action – The Clean Team Board to assess how best to proceed with legal recourse with respect to the alleged embezzlement by a member of Clean Team staff]

The Board did not advise of any related party transactions.

NJ explained that in the light of result of the referendum on 23rd June 2016 for the United Kingdom to exit the European Union WSUP did not see any immediate changed circumstances with respect to continuing to employ EU citizens.

CW noted that the WSUP Community Intranet has now been launched.

JM asked how the data on sickness was monitored to help to proactively manage it, and NJ described the system of reporting and analysis, that was already in place. JM thanked him for the information and explanation.

2.1 CEO report

NJ explained that engagement with DFID regarding their Urban Sanitation Business Case, and the associated potential funding for WSUP, had taken up an enormous amount of time over the past three months. He explained the lack of clarity from DFID had additionally created a significant amount of issues for the organization over the past quarter. DFID had recently clarified to WSUP that as a result of internal government budget constraints the amount available from DFID for WSUP had been reassessed to the level of £12.3 million, a reduction on the previously discussed figure of £14 million, across the four year business plan. The new figures includes £8.3 million from the DFID WASH team, to be utilized across all areas of the WSUP 2016-2020 Business Plan, and £4 million from the DFID RED team to support the research strategy, Strategic Area 5 of the business plan.

WD thanked NJ for update on the potential DFID funding and reiterated that all the Board were keen to hear as soon as possible regarding any developments related to this support.

[Action – NJ to continue to engage with DFID and keep the Board informed of significant developments]

NJ expounded his high hopes for Peter Townsley, the new CEO of Clean Team, to drive forward positive change in the business, as a result of his significant experience in emerging markets, most notably Asia, and in successfully turning around businesses.

The arrival of Alastair Lamb (AL) has helped inform, create and drive forward a strategy for IT, and NJ thanked the team for all their work, particularly on the WSUP Community intranet.

The two existing PbR contracts are continuing to perform well, with targets being reaching relatively smoothly. There is a potential new fund from DFID that we will be able to bid for in the near future. WD spoke about WSUP's historic relationship with PbR contracts, and commented that the two contracts had worked relatively well despite the inherent elevated risk profile of the contracts. JM suggested the Risk Committee could add value to any future process by assisting in the analysis of risk related to any PbR contracts. David Birch (DB) expressed his view that WSUP should consider carefully the relationship between any future PbR contracts and the size of our organization, especially if WSUP was considering leading on any bids. NJ concurred, and highlighted that any decision to lead would need to be very carefully assessed, although we should not automatically discard the possibility.

[Action – Risk Committee to play a role in future assessment of PbR contracts, related to the risk appetite of the organization]

NJ highlighted the new QlikSense dashboard for monitoring & evaluation and described the utility and value that this format would provide for managers. This format represents an increase in WSUP's use of cloud based solutions. NJ thanks Jonathan Stokes (JS) for his excellent work on this project.

DB highlighted the work of WSUP Advisory would add to the overall reporting of impact in Strategic Area 4 Mobilizing Finance. NJ confirmed that Advisory numbers are being counted towards the impact report, in terms of amount of finance mobilized.

KS noted the quality of the draft Health & Safety Policy & Procedure presented to the Board and attached as an appendix to the main papers. He asked for further information on how and who would monitor the risk and security plans. NJ and Bill Peacock answered that CEO, SMT and Country Programme Managers (CPMs) would all play, a combined and interlocking role to ensure continued monitoring and assessment of the plans, and in particular to ensure that plans are 'lived' by the teams.

[Action – updated draft of the Health & Safety Policy to be presented to the Board for sign off at the November Board meeting]

Helen Pankhurst (HP) postulated that DFID as a structure could be very different in the future, and that WSUP should consider carefully how best to use this opportunity to create a wider set of supplier relationships. WD confirmed that this was starting to happen, and signalled to the advancement in the diversification strategy of the Partnerships and Development (P&D) team as evidence of this.

Sean Tyrrel (ST) asked whether the delays in the research budget from DFID were putting a hold on our research strategy. NJ described the bridge funding in place that was able to cover some aspects of this, but did acknowledge that the funding delay inevitably had produced some knock on effects on the organizations' ability to drive forward particular pieces of work.

WD spoke about WSUP's gratitude to those funders who provided bridge funding, and commended the whole WSUP team for their foresight in preparing for and securing bridge funding between the 2012-2016 and 2016-2020 Business Plans. He recognised that given the delay in DFID funding the organization situation would have been very different without the bridge funding resources.

The Board noted progress in initial steps in implementing the WSUP Business Plan 2016-2020.

The Board noted the issues related to institutional development, commercial and enterprise development, risk management and communications.

2.2 Funding Report

Madhu Rajesh (MR) spoke to the Funding Report, and gave an update on the various pipeline conversions that are ongoing and possible in the immediate future. MR updated the Board on Emily Goulborn joining the P&D team as Head of Funding, and described the development of a database system (based on Podio) at an affordable cost, which will provide value to the team by allowing them to more effectively and efficiently track the funding opportunity pipeline.

The Board noted the update on the funding position.

2.3 WSUP Advisory CIC

Robert Martin (RM) described the on-going high quality work in India, recently recognized by Chris Holmes USAID's global WASH lead. RM emphasised the increasing level of success that the India team are having in engaging with the Indian authorities; RM outlined the recent acknowledgement by the Joint Secretary of the Ministry of Urban Development, that the lessons learnt from our work in the city of Vizag should be applied at the national level and used to inform action in the more than 4,000 cities across the Swachh Bharat Mission.

RM welcomed Jane Olley (JO) to the WSUP Advisory team as the new Technical Manager. RM explained that he would be transitioning to a new role as Programme Director for India to provide dedicated managerial support to the expanding and successful India contract. Yaver Abidi (YA) will be starting on 19th September as the new Managing Director for WSUP Advisory. RM paid tribute to the hard work of the WSUP Advisory team.

WD thanked RM for all his efforts in developing WSUP Advisory, and DB seconded this.

2.4 Finance & Audit Committee Report

The Board noted the Finance & Audit Committee minutes.

2.5 Risk Committee

JM spoke to the minutes of the Risk Committee, which is chaired by Philip Naderer.

CW confirmed that Eddy Finch (EF) had accepted an invite to join the Risk Committee, and would be attending the next meeting of the committee in November.

2.6 Resources Report

CW discussed the preliminary accounts and finances.

CW reiterated that not all the membership contributions for this financial year had been received yet. NJ asked that all outstanding contributions be made as soon as possible, particularly given the level of uncertainty regarding DFID funding. NJ informed the Board that Nathan Bacon (NB) would be contacting each Member to follow up on this point.

WD & DB requested that figures for staff turnover be provided in place of the length of service information, as this was an industry standard figure and more immediately comparable across organizations. This was supported by KS.

[Action – AL & CW to provide turnover figures to the Finance & Audit Committee and Board in the next reports, in place of length of service information]

CW thanked the financial team for their work, and AL explained the advances made in the resources team, including the development and use of Podio across various teams.

There was discussion to explain the system by which salaries of the staff working in international country teams are now pegged to GBP to help compensate for movement in local countries. NJ additionally highlighted that the organization had also taken the decision to peg against GBP to help manage risk in the UK by maintaining expenditure at a constant GBP levels. WD also asked about the implementation of COLA award. NJ explained that once the DFID funding was confirmed then all staff in post on 1st April 2016 would be award a COLA increase, back dated to April 2016.

[Action – NJ to provide a recommendation to the Remuneration Committee on the COLA award, back dated to April 2016, for all staff in post on 1st April 2016, as soon as DFID funding is confirmed]

The Board noted the progress on Finance and Resources.

2.7 Contingency Planning Report

CW spoke to Table 1 attached to the paper. NJ summarised the scenarios, the immediate actions taken to control the rate of expenditure of present resources and the projected impact on general funds of scenarios.

WD thanked CW and NJ for the work they had done on the projections. NJ clarified some specific questions related to each scenario raised by WD and other members of the Board.

3. Role of Capacity Building in the WSUP Business Plan 2016-2020

NJ introduced the two presentations and set the background against which they were given. BP presented to the Board in his role as Director of Programmes, and in particular in his role to support all of the international teams in their engagement with and capacity building of city authorities, utilities, regulators and private sector service providers.

WD thanked BP for his presentation. WD asked how the knowledge created and gleaned from core country programmes was being fed into the India programme and other WSUP Advisory contracts. BP answered that he saw this as a priority, and hoped that JO's recruitment would help with this issue. Additionally he saw scope for CPMs to play a role in supporting WSUP Advisory, for example Carla Costa (CC) may be helping in supporting the India programme given her professional knowledge and personal links to India. There was much discussion regarding ways to enhance the value that the organization can create via embedding skills and knowledge across both core programme countries and WSUP Advisory.

JM questioned how we can go from a push model to a pull model, and BP clarified this was already the case. WD highlighted the benefit for continued capacity building of WSUP core country teams, and emphasized that engagement by country teams in WSUP Advisory may be a positive way to promote learning and prepare for eventual succession planning. BP recounted his personal experience of the dedication of WSUP, citing CC as a clear example.

4. Innovation & Consumer Needs (ICON) business portfolio to support WSUP Business Plan

The Innovation & Consumer Needs (ICON) team members Anne Walsh (AW), Jakob Kisker (JK) and Gabriela Hernandez (GH) gave a presentation to the Board.

AW introduced the work of the team. JK presented some of the practical examples of the innovative work and product design of ICON, including learning from the construction of school toilets in Kumasi, Ghana.

NJ thanked JK for his element of the presentation, and asked about user feedback. WD asked if WSUP would be retrofitting the toilets highlighted in the presentation. NJ highlighted the work that Advisory in India included doing just this across 4,000 public toilet facilities in the city of Vizag.

There was discussion about how the learning from this activity could be distributed more widely to contribute to sector influence. WD mentioned the Girls Education Fund as a potential sponsor. ST and JK emphasised the role of designers in collecting data and the impact of smart phones.

GH then presented to the Board about building inclusive businesses and strengthening market based approaches, focussing on the work being done in Ghana. WD suggested the creation and enforcement of bylaws was critically important. Jonathan Gill (JG) mentioned that Unilever were working with DFID on a joint platform, TRANSFORM, and suggested there could be a place for WSUP to engage and potentially receive support, given the level of synergies with the WSUP work described. WD suggested the Business Innovation Facility, managed by PWC, as a source of support and requested that MD follow up.

AW presented on connecting WASH to the Health & Nutrition agenda, and how we can have a greater impact and attract more funds by combining the two. AW noted that this dual agenda is increasingly on the radar of a number of major funders. There was much discussion from the Board about how WSUP could develop this portfolio.

WD thanked the ICON team for their excellent and insightful presentations.

5. AOB

NJ asked all Board members to check the proposed dates for Board Meetings listed at the end of the agenda document. These dates will be confirmed at the November Board meeting.

Acknowledged as a true and accurate record of the meeting:

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