

MINUTES OF THE CHS ALLIANCE BOARD

27-28 April 2017

FACE-TO-FACE MEETING

PRESENT:

John Beverley (JB, treasurer), Rezaul Chowdhury (RC), Osama Ezzo (OE), Jules Frost (JF, vice-chair), Nick Guttman (NG), Jacquie Heany (JH), Tahya Hossain (THo), Takeshi Komino (TK), Jacqueline Koster (JK), Bijay Kumar (BK), Ariadna Pop (AP), Robert Sweatman (RS), Robert Tickner (RT, Chair), Martha Namera Woyessa (MN)

IN ATTENDANCE:

Geneviève Cyvoct (GC, induction session and self-assessment presentation), Judith Greenwood (JG, Executive Director/ED), Patrick Hartmann (PH, finance presentation), David Loquercio (DL, Alliance self-assessment presentation), Hélène Maillet (HM, minutes only), Adrien Muratet (AM, self-assessment presentation), Audrey Rudny (AR, finance presentation), Samantha Wakefield (SW)

For hqai:

Jacques Forster (hqai Chair), Pierre Hauselmann (hqai Executive Director)

APOLOGIES:

Dr. Samah Bassas (SB), Loretta Hieber-Girardet (LHG), Thea Hilhorst (THi)

ACTION

1. APOLOGIES, WELCOME AND DECLARATIONS OF INTEREST

This was the first face-to-face meeting of the year. The Chair welcomed everyone and apologies from SB, THi and LHG were **noted**. Apologies from AP who need to leave the meeting earlier were also **noted**.

No declaration of interest nor conflict of interest was expressed.

JG introduced Samantha Wakefield, CHS Alliance People Management and HR Lead who was meeting the Board members for the first time.

2. MINUTES OF THE LAST BOARD MEETING HELD ON 11 JANUARY 2017 (paper 1)

There was no correction or addition to the minutes of the Board meeting held on 11 January 2017.

The minutes were adopted by consensus as true and correct records of the meeting.

3. ACTION ARISING NOT APPEARING ELSEWHERE ON THE AGENDA (paper 2)

It was **suggested** to separate the completed actions from the outstanding ones. This suggestion was **approved**.

It was clarified and **noted** that there had not been a communication to the to the Board members on the Key Performance Indicators (KPI) The Chair proposed that Board members who would like to contribute to the drafting of Board's KPI contact RS.

Actions:

- ◆ to collect and compile contributions from staff and Board members on KPI and make recommendation to the full Board. **MNC**
- ◆ to remove "interim" in the title, correct the "progress" of action item 103 and distinguish the completed actions from the outstanding ones. **JG/HM**

The document was noted with amendments indicated above.

4. ED (Executive Director) REPORT (paper 3, annexes 1 to 3)

Highlights:

- ◆ CHS Steering Committee meeting last March and next September
- ◆ CHS self-assessment currently completed by the Alliance (done by the Secretariat staff)
- ◆ A staff satisfaction survey (annex 1) conducted in February 2017 with encouraging results.

There were a couple of questions and comments about the report, including one about what merger-related work remains. The treasurer explained that the reserves of PIA and HAP have not been transferred yet due to final reports to donors to be sent and winding-up to take place. All HAP related business has been completed and the final audit has taken place. PIA has been more complicated due to lack of PIA finance staff. The treasurer (JB) in his capacity as treasurer of PIA explained that all PIA reports have now been sent and a consultant has been engaged to help with the winding-up. The deadline for the process to be ended is June 30. The ED **suggested** that communication is shared with all Board members on this as the transfer agreement signed by PIA and CHS Alliance means that the liability for the closing of PIA and HAP has been transferred to the CHS Alliance Board members.

On the staff survey (Annex 1), some lowlights were discussed as the communication and the level of stress. BK however underlined that transition period is always stressful and congratulated the ED for the huge difference in the staff survey compared to last year.

On the fundraising strategy (Annex 2) the ED explained what the context was until now where the ED plays a key role in fundraising. A fundraising committee was

formed last year (chaired by TK). The fundraiser left the Alliance in January and has not been replaced. The ED will continue to have lead responsibility for fundraising and donor reporting given the majority of support and funding comes from donor governments. She is supported by staff in this; in response to a Board member's question, it was stated that there are no plans to hire a fundraiser at this time.

TK and JG **suggested** to discontinue with the fundraising sub-committee, and that Board members take opportunities to talk about the CHS Alliance during their meetings with their own donors and that the Board develops a culture of raising opportunities to the ED when board members see one.

There was then a discussion on financial targets, funding streams and reserve target.

Actions:

- ◆ to update the fundraising strategy to reflect the different funding streams and report back to the FRAC
- ◆ financial targets and reserve to be referred to the FRAC

On the risk register (Annex 3),

The risk register does not reflect the current risks.

Action: Update the risk register and present to FRA and Board

JG

5. FINANCE RISK & AUDIT COMMITTEE (FRAC) (papers 4a-b)

5.1. Management response

The treasurer explained that there was some initial confusion on the process which was corrected by the FRAC.

A management response to the auditors was drafted and shared with the Board for approval.

The management response to the auditors was noted and approved by consensus.

BK noted that the FRAC minutes of meeting on 17th March needed to be changed to reflect that the FRAC does not take decisions, it only recommends to the Board.

Action: to change the wording of the FRAC minutes of 17 March meeting.

HM

5.2. 2016 audit report

The Board received and noted the audit report and confirmed the approval - acknowledged by email of 10 April 2017 - of the financial statements and notes, with approval that the report is unqualified.

6. CHS ALLIANCE STRATEGY (papers 5 and annex)

The Chair addressed his thanks to all staff for their contribution to the strategy. He explained that when the strategy will be adopted, the ED and staff will work on an operational plan that will then be shared with the Board. Today's task was to look at the strategy document only.

The discussion on the document (on the spirit of it – high level) can be summarized as follows:

- ◆ The will to give more space to national/local NGOs was largely shared, especially supported by BK and RC (2 variants: one was to move the headquarters to the South, the other was to have a decentralized management of the CHS – with the latter the idea was also to have lower costs and propose lower membership fees). This was also discussed in relation with the Grand Bargain participation revolution and localisation which would need more clarity and developments in the document (linked to the Grand Bargain, JG shared LHG's comment on looking at non-traditional and bigger humanitarian actors).
- ◆ The lack of details for organisations implementing the CHS and working with partners was highlighted.
- ◆ Board members all shared the idea to have an additional section including milestones for a longer-term strategy that could embrace the re-focus on the South or any initiative linked to a closer relationship with southern NGOs. RT **suggested** to have it at the end under the title "future directions". This was **agreed** but after a few more discussions an **alternative suggestion** was **approved**. JK indeed underlined that this was a value issue and maybe just a few sentences as a value piece (in membership section for instance or somewhere upfront) could reflect the suggestions of BK and RC (see changes below).
- ◆ JK also suggested ideas for operational planning:
 - Support national advocacy initiatives
 - Funding for national forums and networks

Getting into a discussion on the wording, the following changes **were unanimously approved**:

Green is new. Red is revised.

Insert in "Introduction" (p.1) – wording from JB and THo

The last planning period encompassed massive changes for our organisation. Our focus for this planning period is consolidation and expansion of operations, building on the foundations that are now in place.

Insert in "Our Membership" (p.2) – wording from JK

The CHS Alliance is committed to creating an accessible membership framework that recognizes the diversity present in the sector and to creating an enabling environment for initiatives to emerge from any member.

Theory of Change (p.4) and Our key roles (p.5) – wording from JH, BK and RS

Key role 1

1. We will support organisations to **strengthen their** capacity to **meet, and continuously verify against**, the CHS by: *(Theory of Change to be amended accordingly)*
 - a. Providing capacity building support to members on quality, accountability and people management
 - b. Providing relevant training on CHS, complaints response mechanisms and prevention of sexual exploitation and abuse
 - c. Providing guidance on the application of CHS within the context of partnerships between international and national/local agencies
 - d. Providing support to members to facilitate people and communities affected by crisis holding implementing agencies to account

Success indicators (p.6) – wording from JK, NG, BK and RS

- 1.a. Stronger membership: the number /percentage of members **promoting, participating and contributing** to the CHS Alliance has increased by 50%.
- 1.b. Larger Membership: the number of new members has increased by 25%, **with representation from all regions.**
- 1.e. Increased evidence of people and communities affected by crisis holding implementing agencies to account
- 2.d. Satisfaction surveys of affected communities show improvements in the quality and accountability of the assistance that they receive.
- 3.b. The percentage of national NGOs and local actors using CHS **across the globe** has increased by **80%**.

The Board unanimously adopted the Strategy, with the suggested amendments above.

Action: *to amend the Strategy according to the above.*

JG

DAY 2.

No declaration of interest.

7. MEMBERSHIP FEE STRUCTURE (paper 6)

The ED presented an update on the payment of membership fees and explained the fees structure and the transition period (–adopted by the General Assembly in Nairobi in 2015). She mentioned that the transitional fees should be dropped in 2018, therefore the Board is requested to take decision on the fees structure as adopted in Nairobi.

It was reminded that setting membership fees is a Board responsibility as per articles 23.4 and 30 of the Statutes.

The question of free membership was raised and the Chair stated that he would like to discuss this further and find a solution.

There were long discussions on different issues such as:

- ◆ the lack of impact analysis in terms of winning / losing members with the proposed fees structure
- ◆ the income band and the amount of fees for national/local NGOs
- ◆ the financial weight of members v. the number of members
- ◆ the need to further promote membership benefits and added-value.

Some Board members added to this that membership should be examined in a broader context: barriers to membership, reasons for self-assessment costs, verification costs much more important than membership fees, etc.

Several Board members shared the idea that the fees is a commitment not just an invoice to pay and that the Alliance should accept that some organisations who don't want to/can't pay leave the CHS Alliance and that the Alliance should focus on increasing new membership, in particular from southern local/national NGOs.

Following those discussions, the Board unanimously **agreed** not to take any decision on the proposed fees structure and **proposed** that:

- ◆ the MNC (Membership & Nominations Committee) be requested to review the membership fees structure supported by advice from the ED and in cooperation with the FRAC;
- ◆ the membership fees overall principles be based on the objectives of the Board to give effect to the principles on membership adopted in the Alliance 2018-2021 Strategy;
- ◆ the MNC also be asked to advise on how we can rephrase the current practices of the CHS as necessary to ensure adherence to our Statutes

The Board approved this proposal.

However, due to fiscal year and planning of organisations, the ED suggested that the Board, while not taking decision on the proposed fees structure, accepts to communicate to members that 2018 fees will be the same as 2017.

Proposal: The ED be authorized to communicate with the membership to advise them that the fees structure for 2018 will remain as it is currently, at 2017 levels.

The Board approved the proposal but this was not supported by JB.

JF **proposed** that JH helps JG to draft communication to the members to include the element of working towards change for the future. **The Board approved the proposal at a majority.**

Action: to help JG to draft the communication to members as per above.

JH

8. UPDATE FROM hqai (paper 7)

The Chair welcomed Jacques Forster Chair of hqai Board and Pierre Hauselmann Executive Director of hqai. They were invited to the Board meeting in order to explain to the Board members what is hqai and the changes in the verification scheme. The ED reminded that the last discussion of the Board about hqai was in April 2016 which resulted in the adoption of the certification logo.

After a general presentation of hqai by Jacques Forster, Pierre Hauselmann explained that due to the fact that hqai is involved in an accreditation process to be ISO certified (which is important in terms of credibility and recognition from Governments), hqai is required to change one aspect in the verification scheme. The change is to replace a self-assessment every two year by an annual audit. As hqai is certifying against the CHS and is the only organisation to do it at the moment, hqai recommends to the Board of the CHS Alliance to align its verification scheme to the change mentioned above.

There were discussions about the burden and the costs of having this change and also on the consequence for the CHS Alliance and its members if the recommended change is not accepted. Apart from the discussions on the change itself, there were questions raised by the Alliance Board on the hqai Subsidy Fund and possibility to hire auditors locally in order to decrease the costs of certification.

The Chair thanked Jacques Forster and Pierre Hauselmann for their presentation and for answering the Board's questions. They left the meeting and the Board discussed the recommendation from hqai per se.

The Board of the Alliance unanimously approved the recommendation from hqai

The CHS Alliance amend its CHS Verification Scheme to incorporate the requirement of annual maintenance audits for the certification option. The verification option remains unchanged.

The Board further requested that:

- ◆ an impact analysis is shared is conducted by the Alliance ;
- ◆ the issue remains a standing issue on the agenda of the Boards of the two organisations;
- ◆ consistency in documentation is ensured once change is approved (CHS verification scheme).

9. CHS GUIDANCE NOTES & INDICATORS AND SELF-ASSESSMENT

9.1. Revision of CHS Guidance Notes & Indicators and integration into revised Sphere handbook

TK made a presentation on this to the Board, which will be shared electronically. He requested that the Board members provide input on the revision and DL added that it is important that the CHS is linked to the technical chapters.

9.2. Self-assessment update

DL made a presentation on the CHS Alliance self-assessment (which will be shared electronically).

DL explained that the CHS Alliance is currently piloting the Secretariats' self-assessment; GC is leading it and results will be shared when available.

After his presentation, remarks/questions were raised by Board members.

JK offered to discuss on the self-assessment for development agencies as World Renew has already done some work in rephrasing the document to adapt it to development agencies.

Action: to contact Adrien regarding the drafting of the self-assessment tool for development agencies. **JK**

The Chair asked whether audited accounts are requested or not from the members when going through annual reports/self-assessments?

DL answered that this could be something the Board recommends to add.

The main concerns of the Board members were:

- the low number of NNGO who have paid their fees, and
- the high number of members who do not have a Code of Conduct.

The Board **unanimously agreed** that the latter is definitely something worrying and to discuss further.

10. IN CAMERA ITEMS

Record of resolutions by the Board.

- a) The Chair and Vice-Chair to be authorized to sign a contract with the Executive Director on identical terms (subject to minor no consequential changes of the clause which sets out that the new contract replaces the previous ones)
- b) That in line with Article 20 of the Statutes the Board office bearers be authorized to establish the KPIs (Key Performance Indicators) for the Executive Director in negotiation with her and that they be reported back to the next meeting of the Board.

11. BOARD COMMITTEES (papers 8 & 9)

11.1. Membership & Nominations Committee (MNC) (paper 8 and annex 1)

RS briefly summarized the activity of the MNC from January 2017.

He also submitted to the Board two recommendations, as follows:

- ◆ To adopt the revised ToR of the MNC
- ◆ To appoint Eunice Ndonga-Githinji (Executive Director, Refugee Consortium of Kenya) and Mahmoud Almadhoun (Human Resources and Operations Director, Islamic Relief Germany) as members of the Committee.

NG asked about the definition of “national organisation” (cf. p.2 section 4 of annex 1 of paper 8). He would not necessarily put a different wording in the ToR, but highlighted that the Committee should have a clear idea of what it means when appointing members.

Proposal: to adopt the revised ToR and appoint the suggested new members.

The Board approved the proposal by consensus.

RS also presented 13 membership applications, among which 10 were submitted to the Board’s approval. The issue of the Code of Conduct (see section 9 above of the current minutes) was also raised at this stage: 10 organisations applying for membership have a Code of Conduct in place with no prohibition of sexual exploitation and abuse (SEA); 3 do not have a Code of Conduct at all.

The MNC therefore **recommended** the following:

- ◆ to approve the membership applications for organisations without SEA component in their Code of Conduct provided that SEA addition is made within 6 months of joining
- ◆ to hold on approving the membership applications for organisations who don’t have a Code of Conduct at all and accompany them in drafting one.

The Board approved by consensus MNC recommendations on membership applications. Therefore the following organisations are now members of the CHS Alliance:

- Amra Kaj Kory (Bangladesh)
- Association of Voluntary Actions for Society (Bangladesh)
- Christian Commission of Development in Bangladesh
- Department of Foreign Affairs & Trade (Government of Australia)
- Dushtha Shathya Kendra (Bangladesh)
- Gana Unnayan Kendra (Bangladesh)
- Fondation Mérieux – France
- People In Need – Czech Republic
- SEDHURO (Socio-Economic Development & Human Rights) – Somalia
- SOS Sahel Ethiopia

Further to the discussions about existing members not having a Code of Conduct and applying members who do not have one either, the MNC took note of the issue.

Action: *to look at the issue of members with no Code of Conduct.*

MNC

With reference to DFAT membership application, JK **suggested** changing the wording when filling in the application form to state that membership fee is included in their financial contribution instead of stating that it's a free membership (cf. previous discussions under section 7 above of the current minutes on no free membership in the Statutes). **The Board approved the suggestion.**

11.2. Complaints Committee

BK, Chair of the Committee declared that the Committee did not meet, so there is nothing to report to the Board.

12. **DRAFT POLICIES (paper 10 & 11)**

12.1. Professional Development Policy (paper 10)

The ED reminded that this is a new policy and that it was required as budget lines for professional development for 2017 were added but there was no guidance about it.

Globally Board members found that the policy is good and is indeed required. There was also a global agreement on the fact that the Alliance would never support personal development (cf. last sentence on p.2 of paper 10) but only professional development linked to job requirements and to a specific development plan. JG mentioned that the annual performance review sets the framework for the professional development plan.

NG specifically observed that the reference to Master's degree should be removed as it goes beyond what the Alliance should be providing; and that reference to

external self-driven opportunities should be inserted. BK stated that a commitment from the staff benefiting from professional development should be clearly mentioned.

JF **suggested** to add the following wording on p.2 (first sentence after sub-title “requests for professional development”) – “...professional development plan which will be based on gaps against the requirements of the job you are required to do in your current position and /or career path with or outside the organisation”.

The Board approved the professional development policy subject to the changes below:

- ◆ Insert the suggestion from JF above
- ◆ Remove masters reference **not supported by JB**
- ◆ Insert reference to self-driven opportunities
- ◆ Delete last sentence of p.2
- ◆ Formulate something around linkage between professional development and staff’s commitment to stay within the organisation (investment of the organisation)

12.2. Remuneration Policy (paper 11)

The ED briefly explained the context of the policy and why there was no salary grid attached (basically because the existing one is a compilation of former HAP and PIA salaries and a salary benchmarking is currently conducted). She also explained that the policy does not link salary increase to performance. NG noted that there is however a single reference to individual performance in the document to therefore remove.

This latter element generated lively discussion among Board members. Board members **approved at a majority** that salary increase should not be based on performance but on cost of living only (leaving to JG the authority to handle the increase on the cost of living).

Action: *to remove the only reference to performance on the last page of the policy (first sentence of before last paragraph)* **JG/HM**

There was also a discussion on what should be the starting salary and on market premiums. Eventually, the Board **agreed** to add “rarely invoked” after the sub-title “market premiums” and amend the first sentence of the “starting salaries” section as follows:

Proposal: “In general new recruits will commence employment at the point of the salary range for their grade that **corresponds to their level of experience and/or qualifications.**”

The Board adopted the remuneration policy with the above-mentioned amendments.

13. ANY OTHER BUSINESS

JF mentioned she was thrilled to be part of this Board and welcomed the experience and qualifications in the Board.

RC highlighted that the learning and contribution was great. He was grateful that lot of issues he raised were acknowledged and taken into account.

BK stated he is committed to get more Kenyan and African organisations and congratulated the ED for the transformative changes in the organisation. JG mentioned that the annual report is being finalized, and that it will be helpful to approach potential members.

Lastly, the Chair expressed the need to reflect on the “business model” as he is a bit worried that the Alliance doesn’t have the fundamentals yet. Intensive work is still needed relating to national organisations’ large commitment for instance and also in terms of governance.

The Chair thanked everyone and closed the meeting.

End of meeting