

Minutes of the meeting of the board of Trustees of The Power of Nutrition (the 'Foundation') held on Monday 5th December 2016 at Bircham Dyson Bell, 50 Broadway, London SW1H 0BL

Present: Lord John Browne (**LJB**) (Chair)
Jonathan Brinsden (**JB**)
Phyllis Costanza (**PC**) (by telephone)
Alvaro Bermejo (**AB**)
David Bull (**DB**)

Observers: Claire Moran (**CM**) (DFID)

Staff attendees: Martin Short (**MS**) (CEO)
Sarah Dunn (**SD**)
Mavis Owusu-Gyamfi (**MO-G**)
Chris Skeet (**CS**)
David Eastman
Roushika Gawne
Carla Martins

1 Introductions, declarations of interest and minutes

1.1 *Introductions*

LJB introduced himself as the Foundation new Chairman and added that his availability to the role is limited until the 1st of September 2017 when he will step down as the Chairman of Tate.

LJB welcomed all the persons present, following and attending.

1.2 *Approval of minutes*

The minutes of the 4th October 2016 board meeting were approved. PC asked to be noted that, on point 2 - Fundraising of the October Board meeting minutes, she commented that the Fundraising targets should be discussed and approved in the Board Strategy Session.

1.3 *Declarations of interest*

LJB referred to the Foundation's conflicts of interests, all received and noted.

2 Finance, budget, operations, and audit

2.1 MS referred to his report, which was circulated with the board pack and welcomed any comments or questions. He pointed out that the Foundation had a new grant and the 501c3 registration in the US had been completed.

Discussion

A general discussion followed:

- DB asked clarifications on the extra budget for the recruitment fees, the legal issues with UNICEF and the search for the new board members for the US entity, specifically the governance responsibilities of the US board towards the UK board.
- MS referred to the extra budget for the recruitment fees. He informed the Board that the majority of the extra budget is allocated to the Inzito contract. He added that the recruitment fees of new employees for the Partnerships & Brands team and the new Communications Director are also included in the budget.
- PC suggested to create one page with the overall financial status of the Foundation, including the funds committed to programmes, the amount available from CIFF for overheads and the OPEX budget for 2017. LJB agreed and asked a financial report including overhead and operational levels, specifying source and application of funds.
- DB suggested that the Foundation must continue to invest to produce the necessary revenue to make the programmes and the operations deliverable. He suggested a conversation with CIFF and a deep analysis of the possibility of recovering the overheads with future donors.
- MS asked the Board if there were any comments on the finance report included in the board pack.
- LJB questioned the negotiations of the legal fees. MS explained that the legal fees are negotiated with BDB at a discounted rate on an hourly basis.

ACTIONS:

- **JB to send DB and LJB the Q&A paper on the Governance of the Foundation in the UK and the US.**
- **CS to create a financial report including overhead and operational levels, specifying source and application of funds**
- **MS to send paper to Board to clarify Opex has been covered and signed off by the Board**

3 Fundraising

3.1 Fundraising PowerPoint Presentation and discussion

SD referred to the PowerPoint presentation that had been circulated with the board pack. She pointed out the Foundation's bold and ambitious fundraising targets. She commented that the Foundation Value Proposition remain largely unchanged and the targets were shifted to the right by one year as explained on page 9 of the PowerPoint presentation reflecting the late hire of the CEO and that start up logistics had not been taken into account with original targets.

SD mentioned the new grant to the Foundation and that three more proposals will be presented to the respective organizations' boards by the end of 2016. She added that the team's performance has been comparable to the best in class on the timeline to pull in prospects and the amount produced per person.

SD referred to a new model of investment for the Liberia investment, with the new grant (and other potential investors) buying down the investment after the conclusion of the negotiation.

SD continued with a brief comparison between the Foundation and other top fundraisers in the market. She pointed out that the Foundation is on par with many of the top fundraising organisations in the UK, despite the start-up status and the small team. She added that few organizations managed to raise large amounts of money from non-traditional donors (HNWI, Philanthropies, and Private sector), as it is a more challenging sector.

- LJB highlighted the small proportion of the non-traditional donors when compared to the other funding sources. DB commented that in the global fundraising landscape the non-traditional donors are a smaller source, but with significant amounts of money. CM pointed out the reason DFID invested in the Foundation was to be able to bring these non-traditional donors into the nutrition sector.

SD went through data on patterns of giving in two of the most developed fundraising markets, the UK and the US. She mentioned that charity starts at home and gave the example of the US where in 2014 only 1,5% of the total value of the donations was for international aid. She noted that the US is more generous than the UK and presents many opportunities to raise money from HNWI and Philanthropies, thus the importance of an Advisory Board.

- DB suggested mapping the Foundation pyramid, detailing the names of the prospects that must be targeted and the number of donations needed to achieve the fundraising goals. SD commented the analysis included on page 9 of the PowerPoint presentation went some way towards this.
- CM commented that nutrition has an incredible high return and it is underinvested. She added that the purpose is not to displace donors that are already investing in nutrition but to bring donors into the nutrition sector using the Foundation as the entry platform.
- MS pointed out that the Foundation is unique and has a more compelling and clearer narrative than most of the organizations that work in the nutrition space.

SD continued explaining some of the challenges the team faced over the last few months. She mentioned the significant lead times for all target audiences, roughly 12 to 18 months. She commented that all the prospective donors made some requirements to invest with the Foundation. She pointed out the focus on a specific geography, engagement in the investment

design and monitoring, investment in specific interventions, or demand to work with particular implementation partners (not necessarily World Bank or UNICEF).

- MS pointed out that unrestricted funding is important for the Foundation business model and is most likely to come from bilateral donors. He added that it is essential to find the balance between the non-traditional donors and bilateral donors.
- LJB asked the mapping of the people the Foundation wants to approach. DB reinforced the importance of recruiting the new trustees for the Board. LJB added that the Foundation must present with clarity what it wants from the new trustees.

ACTIONS:

- **SD to prepare a mapping of the people the Foundation wants to approach.**

4 Investments

4.1 Pipeline update

MO-G referred to the investment pipeline update that had been circulated with the board pack. She continued with a brief overview of the trip to Tanzania. She commented the visit to Tanzania was positive and enabled the Foundation to overcome some of the challenges flagged by the Board in the past such as the Foundation's profile in country and the collaboration with the World Bank.

MO-G highlighted their meetings with several senior colleagues of the Tanzania government, including the Chief Medical Officer and the Permanent Secretary of Health, and the visit to Shinyanga - the city where the pilot programme for the results based financing started.

She outlined the Tanzanian government's commitment to Nutrition and to the Results Based Financing framework. She added that the government had committed to 115 million dollars for nutrition over the next five years, including 1000 shilling (around 0.50 USD), per child, per year, on nutrition-specific interventions.

MO-G mentioned that both the government and the health professionals are developing a good understanding of the results based financing programme.

MO-G commented that the Foundation had recommended the creation of targeted support to the health facilities to help them managing the money of the results-based financing to continue to improve the quality of the services. MO-G pointed out the thorough training the World Bank organized on the results based financing programme for many key government officials and development practitioners.

MO-G suggested that if the government completes the programme effectively, the impact on children and women will be very positive.

4.2 Implementing Partners PowerPoint Presentation

MO-G commented that over the last months the Investments Team has been working on an analysis of potential new implementing partners. She pointed out the strategic importance of having a wider range of implementing partners.

MO-G mentioned that the Foundation always envisaged to have more than the two current implementing partners. She added the team used the rationale behind the selection of the two original implementing partners, such as sustainability, leverage, expertise and influence at national government level, to set up the analysis.

MO-G referred to the potential opportunities of having new implementing partners, specifically the decreased strategic risk to the Foundation and the more effective fundraising and investments management. She added that having new implementing partners will enable the Foundation to appeal to a wider range of investors, to have a greater diversity in the programme pipeline and to ensure a shared vision of impact objectives and reporting needs from the onset. She pointed out that the current partners are not implementers.

5 AOB and closing

5.1 MS mentioned that the 2017 board meetings are scheduled and in the diaries.

5.2 There being no other business, LJB declared the meeting closed.