

**E9. Bureau proposal on EAPN Governance and Structures, March 2019
For decision at April Ex Co**

1. **Why we are discussing this**

The [2018 Membership Survey](https://www.eapn.eu/wp-content/uploads/2018/11/EAPN-Phase-2-Final-Analysis-of-EAPN-2018-membership-survey.pdf) highlighted that between 25 and 30% of our members think that our governance structures are ‘completely or somewhat unfit’ for purpose. The need to increase our effectiveness and participation and reduce duplication by reforming our governance structures was identified in the first phase of our Strategic Thinking process – following research and detailed interviews with many EAPN members by our external consultant, Quality Matters. An action was agreed, notably: ***“A cost and risk assessment of the current decision-making structures to be undertaken by the Director and presented via the Bureau to the membership as part of the strategic thinking process.”***The change recommended during this phase is that ***“EAPN adopts a new streamlined structure which gives all members adequate representation and ensures the most efficient decision making and appropriate use of resources.”***See the report of Phase 1 of our Strategic Thinking process [here](https://www.eapn.eu/wp-content/uploads/2018/11/EAPN-EAPN-Strategic-Thinking-Process-Phase-I-Report-final.pdf) and of Phase 2 [here](https://www.eapn.eu/wp-content/uploads/2018/11/EAPN-Theory-of-Change-November-2018.pdf). An overview of the whole process can be found [here](https://www.eapn.eu/members-room/development/strategic-thinking/).

1. **What is good governance?**

In developing this paper, the Bureau and Director considered both available literature and governance structures of successful networks pursuing similar objectives to EAPN (including Eurochild, IFSW, Concord, Beyond 2015, ENAR, Deaf Action) We found the governance review of [ENAR](https://www.enar-eu.org/IMG/pdf/fs_governance-en.pdf) and the [RSA](https://www.thersa.org/globalassets/pdfs/blogs/rsa-governance-review-2011.pdf) particularly useful – the RSA review includes an overview of the Board composition of more than a dozen charities and voluntary organisations of different sizes. We recommend these documents to Ex Co members.

The literature reviewed on the effective governance of NGOs suggests that successful organisations that achieve their objectives:

* Are clear about their purposes mission and values and use these to direct all aspects of their work.
* Have a clearly identifiable and strong board or trustee body, of the right size and balance of skills and experience, that works wel, both as individuals and as a team.
* Act in the best interests of their members and beneficiaries, understand their responsibilities and have systems in place to exercise them effectively.
* Have effective structures, policies and procedures that enable them to achieve their purposes and mission and deliver their services efficiently.
* Are continuously learning new and better ways of improving their performance and efficiency and regularly assess the impact and outcomes of their work and feed the results into their planning process, influencing their direction.
* Are financially sound and utilise all available resources to realise the organisation’s objectives and sustain its activities.
* Are accountable to their members and others with an interest in the organisation in a way that is transparent and understandable.
1. **Current EAPN structures**

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| **Structure** | **Terms of Reference / Role** | **Composition and meeting frequency.** | **Estimated financial cost** |
| **General Assembly** | [Here](https://www.eapn.eu/wp-content/uploads/2018/06/EAPN-Terms-of-Reference-GA.pdf) | Open to all members of EAPN, who are each allocated three votes. Open to 3 people (funded) from national networks, 1 person (funded from European Organisations). Meets once a year, in person. Total of 2.5 days, as combined with other meetings (Ex Co, EUISG, Capacity Building) | **Approximately 18 000 euros per year.** (Transport, accommodation etc is covered in other budget lines) |
| **Executive Committee** | [Here](https://www.eapn.eu/wp-content/uploads/2018/06/EAPN-Terms-of-Reference-Ex-Co.pdf) | All NNs + up to 6 European Organisations – a total of 37 members. Meets 3 times a year, for 1.5 days. Occasional webinars. | **Approximately 70 000 euros per year.**  |
| **Bureau** | [Here](https://www.eapn.eu/wp-content/uploads/2018/06/EAPN-Terms-of-Reference-Bureau.pdf) | 7 members, one space reserved for an EO. (Note that the 2018-2021 Bureau has 8 members). Meets twice a year, for 1.5 days. Meets for half a day in advance of Ex Co meetings. Monthly webinars. | **Approximately 13 000 euros per year.** |
| **EUISG** | [Here](https://www.eapn.eu/wp-content/uploads/2018/06/EAPN-Terms-of-Reference-EUIS-FINAL.pdf) | All NNs + up to 5 European Organisations – a total of 36 members. Meets 3 times a year, for 2.5 days in March (including a conference), 2 days in June (including conference), 1.5 days in September. Occasional webinars. | **Approximately 115 000 euros per year (75 000 euros on meetings, 40 000 on contracts)** |
| **Membership Development Group** | Draft here | 7 elected members from Ex Co. 1x1.5 day meeting per year. Occasional webinars. | **Approximately 20 000 per year (2500 on meetings, 17 500 on development work – i.e transport to get people to Capacity Building Session at GA)** |
| **PeP National Coordinators** | N/A | All NNs. 1x1.5 day meeting per year. Occasional webinars.  | **Approximately 128 000 euros per year (18 000 on meetings, 110 000 on contracts)** |
| **Comm’On** | [Here](http://www.eapn.eu/wp-content/uploads/2019/03/EAPN-Comms-PeP-Working-Group-3476.pdf) | 5 members (professional + PeP), 1x1.5 day meeting per year plus monthly webinars.  | **4900** |
| **Current estimated cost 369 000 euros** |

1. **Pros and cons of our current structures**

Several pros and cons have surfaced from the membership survey, discussions during the Strategic Thinking process, and at the Bureau while writing this paper. This table outlines these pros and cons.

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| **Governance Structures** |
| **Pros** | **Cons** |
| Allows for wide participation  | Does not match established good practice of governance of NGOs |
| All national networks have a voice in the governance of EAPN – there is a feeling it allows for democratic leadership | Has led to a situation where we are missing many basic policies and procedures required for strong governance and leadership of a network like EAPN, which are now having to be addressed. |
| Allows for deep and meaningful relationships to be formed | Time consuming for members and staff, both in terms of organizing governance meetings, participating in these meetings and organizing documentation to support the governance structures.  |
|  | Has led to inefficient decision making  |
|  | Expensive – represents 10% of our core budget. |
|  | Doesn’t reflect the sense of the strategic direction |
|  | Pushes all members to be involved in all discussions rather than focusing on their expertise / interests |
|  | Has led to lack of clarity around decision making |
|  | Has allowed a lack of clear and shared long-term vision and direction, and a lack of forward planning and foresight. This is why we are working through the Strategic Thinking process. |
|  | Has not effectively led EAPN through a period of financial uncertainty, allowing us to find ourselves in a situation where if our primary source of funding, the Commission, withdrew its funding, EAPN would be decimated. |
| **Wider Structures** |
| All national networks can participate in all the policy meetings | Doesn’t fully reflect sense of the strategic direction |
| All members have access to the same capacity building opportunities | Capacity building is currently organized as a ‘one off’ – we are not seeing the benefits of this investment. |
| Allows for meaningful and deep participation of people experiencing poverty and those who represent them, recognizing the important EAPN places on this | Pushes all members to be involved in all discussions rather than focusing on their expertise / interests |
| Allows for EAPN to make wide contributions to EU policy frameworks based on national level input and has allowed EAPN to develop expertise and reputation on this. (50% of responses to Membership Survey thought EUISG was somewhat fit for purpose, 22.5% that it was fully fit for purpose) |  |
| Allows for deep and meaningful relationships to be formed |  |

1. **Bureau proposal**

Following the background research undertaken above, and a detailed discussion during the Bureau meeting (March 2019, notes available on Members Room), the Bureau is pleased to make the following proposal to the EAPN membership, starting with the Ex Co meeting in April. It is anticipated that the Ex Co will form a position on these proposals in April and make a concrete proposal towards the General Assembly.

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| **Structure** | **Description** | **Estimated cost** |
| **General Assembly** | **No structural change.** A momentwhere as many of the structures meet as possible, where they present their work to each other, where we all learn from each other. 2.5 days, with at least one dedicated each year to strengthening the movement by mutual learning / bringing in the most exciting external expertise. Big political and policy issues. Truly decides the strategic direction of EAPN. Combined with meeting of Ex Co, Policy and Advocacy Group, 2 Working Groups (at least) | **54 420** |
| **Ex Co** | **Reduced in size, merged with Bureau.** 12 members, with a 3-year mandate. 10 members elected from EAPN membership, 2 co-opted spaces (for legal, financial expertise etc). President and 2 Vice-Presidents. Meets 3 times a year, for 1.5 days. One meeting in advance of General Assembly. Regular webinars. 50% of members change over at the end of each mandate, to allow change and still retain institutional memory. Members can serve no more than 2 consecutive terms. Reports to General Assembly.  | **17 640** |
| **Finance and Fundraising Committee** | Up to 6 members – 4 EAPN members, up to 2 co-opted spaces if necessary. Chaired by the Treasurer. Responsible for finance, resource management, administration, funding bids, project management. 2 meetings (1.5 days) per year plus webinars. Members can serve no more than 2 consecutive terms of 3 years. Reports to Ex Co. | **5880** |
| **Bureau** | **Merged with Ex Co**, as above. | **0** |
| **Policy and Advocacy Coordination Group** | Up to 10 members, responsible for coordinating policy and advocacy work, political and advocacy strategy, ensuring coherency between different thematic areas of EAPN and using the results of the Thematic Working Groups into the EU processes. Coordinates the work of the various Thematic Working Groups (see below). Meets three times a year, for 1.5 days. Regular webinars. 50% of members change over at the end of each mandate, to allow change and still retain institutional memory. Members can serve no more than 2 consecutive terms. Reports to the Ex Co. | **14 700** |
| **5-6 Thematic Working Groups** | Up to 10 members in each. Each group to focus on one of the 5-6 thematic areas prioritized by EAPN. At least one meeting per year (1.5 days), with two of the groups meeting during the General Assembly. Regular webinars. 5-year mandate. Priorities would be rediscussed by Ex Co before the end of the mandate. Reports to the Policy Coordination Group. | **69 400**(29 400 on meetings, 40 000 on contracts) |
| **Member Development Group** | **Becomes Anti-Poverty Movement Support Group.** Guides EAPN’s nurturing and support of this movement. Focus on strengthening members, training, partnerships, campaigning, mobilization. 6 members. 2 meetings per year, 1.5 days, plus webinars. Members can serve no more than 2 consecutive terms of 3 years. Reports to Ex Co. | **5880** |
| **PeP National Coordinators Group** | **No structural change.** To lead national level participation work, prepare for European level meeting, ensure that people experiencing poverty have a meaningful and impactful space within our network and the wider movement.  | **Approximately 128 000 euros** (18 000 on meetings, 110 000 on contracts) |
| **Comm’On** | **No change.** | **4900** |
| **Estimated cost 300 820 euros**  |

 **6. ‘Right-sizing’**

The Bureau considers the proposed structures as entirely appropriate for an organisation like network, and suggests that the proposal represents a ‘right-sizing’ of our structures, recognising that our current governance structures are overly heavy and cumbersome. The Bureau regards these changes as essential if we are to safeguard the future of EAPN and enable us to move ahead in the direction outlined in the Strategic Thinking documents.

This proposal is not about saving money – although this would be a positive consequence of the proposal, with some 70 000 euros of savings expected. These savings could be used to address some of the basic threats which have been identified through the whole process – investing in more basic level staff, a second manager, a fundraiser for the whole movement etc. Discussions on spending priorities should be postponed until decisions have been taken, recognising that these proposals are not being made for financial reasons.

**7. Benefits and Risks of the proposed structure**

These risks and benefits are based on the literature review and extensive discussions within the Bureau. The Bureau is clear that the potential benefits of the proposed structure far outweigh the potential risks. The Bureau considers the maintenance of our existing structures as a much bigger risk to the future of EAPN.

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| **Benefits** | **Risks** |
| It represents a ‘right-sizing’ of our structures | Electing members of the structures could be difficult the first time |
| It would improve our efficiency | Such a change would take time to introduce and for EAPN to get used to |
| It would allow different people from different members to give their expertise to the European network, via the thematic groups. It would allow for more ‘fluidity’ within the membership.  | Fewer opportunities where all members are together |
| It would allow EAPN to be more sustainable and more powerful, helping us achieve more | Risk of members on the different groups not necessarily speaking for their whole networks. |
| It should improve our visibility.  | Would require a cultural change within EAPN, recognizing that leadership can come from many different spaces, not just the Ex Co. |
| It should allow us to focus more on strengthening our members | Smaller numbers may not ensure the range of skills, experience and diversity required. |
| It represents a better, more effective use of our limited resources, which reflects the narrative of the strategic direction we are discussing |  |
| It simplifies our structures, making it easier to prepare materials, to schedule and organize meetings. There is less to manage, coordinate and facilitate, so meetings should run more smoothly and efficiently. |  |
| Decision making and roles of different structures would be clearer |  |
| We would be spending less money on internal governance and management, freeing up funds to nurture and support the anti-poverty movement and our members. (This is true for Option 1, less so for Option 2) |  |
| It provides more opportunities for member leadership on specific issues |  |
| It would allow EAPN to engage far more people in its activities, truly building and supporting the wider anti-poverty movement |  |
| Smaller meetings tend to be less formal, which makes it easier for members to actively participate and share ideas. It reduces the chances of having members who do not actively participate.  |  |

**8. Proposed Change to Membership Structure**

Our Theory of Change highlights the importance of EAPN supporting and nurturing the anti-poverty movement, to make meaningful political and social change. To do this, and to reflect the input we have received from people experiencing poverty, this paper proposes the introduction of **affiliate (individual) membership.** These affiliates would be individuals, without voting rights. They would be expected to pay a solidarity fee, on a sliding scale to be set by the Executive Committee. (A person experiencing poverty may be asked to contribute 1 euro, for example, while a legal professional may be asked to contribute 100 euros)

EAPN members who do not currently allow for affiliate membership would also be invited to allow for the possibility for affiliate membership, asking these members to pay a solidarity fee.

This would help EAPN become truly a network of and for people experiencing poverty, and support and nurture the anti-poverty movement – which must be a movement of and for people experiencing poverty and social exclusion, supported by the wider European population

A number of members already have the experience of having individual members within their network – the Bureau and staff team are working to capture these experiences, to help facilitate a meaningful, evidence-based discussion on this issue. At the time of writing (21 March), not enough feedback has been received – when a few more responses are received this document will be updated.

**9. Timing**

The Bureau invites the Ex Co to take a clear position on this proposal on 4 April 2019. Comments should be invited from the wider membership between April and June. The Ex Co and the Strategic Thinking session in June to consider the feedback received. Following these discussions, the Ex Co should make a clear proposal, for decision and vote at the General Assembly in September 2019. This proposal must be shared 3 months in advance of the General Assembly, as per our statutes.