

Minutes

Subject:	Minutes of the UEASU Trustee Board 17 September 19
Produced by:	Tony Moore
To:	Board
Action:	To approve
Status:	For publication
Paper:	TB xxxx
Purpose:	Record of Decision Making

Present: A Perez (ALP) (Full Time Officer Trustee elect), A Trew (AT) (Full Time Officer Trustee), M Marko (MM) (Full Time Officer Trustee), S Atherton (SAT) (Full Time Officer Trustee), B Gibbins (BG) (External Trustee), K Watchorn (KW) (External Trustee), E Moxon (EM) (Part Time Officer Trustee), M Jopp (MJ) (External Trustee), F Fay (FF) (External Trustee), J Clayton (JC) (External Trustee), K Roszkowska (KR) (Student Trustee)

Chair: C Perry (Full Time Officer Trustee)

In attendance: A Moore (AM) (Clerk to the Board), T Cave (Head of Finance) (TCA), T Cunningham (TCU) (CEO), C Wilson (HR Director)

Apologies: C Flanagan (CF) (Student Trustee), S Chan (SC) (Student Trustee),

Key Decisions/deliberations:

- *Discussed amendment to the Articles as to 'major office holders'*
- *Appointed members to the Appointments and HR Committee*
- *Appointed Frances Fay as Supervising Trustee for the Code of Conduct for 19-20*
- *Approved the Union Budget for 19-20*
- *Created a Risk Committee*
- *Appointed the Interim HR Director on a permanent basis*
- *Amended and agreed the CEO's KPIs for 19-20*

Action Points

- Investigation of legal position of PG and UG Education Officers as Major Office Holders to be made before amendment going to Council TCU
- MM CP KW appointed to AHRC staff support CW TM
- Link to New format of Organisational Plan to be circulated TM
- Trustees to contact Clerk if they wish to attend Finance Committee ALL

- Possibility of outside expertise on Risk Committee to be investigated TCU
- Individual Corporate Risk Owners to be made clear on Risk Register TCU
- CP and FF to make requested changes and add weighting to CEO KPIs and communicate to TCU and Trustees

ADMINISTRATION

TB967 Membership

Chair welcomed Jeremy Clayton, Karolina Roszkowska and E Moxon to their first Board meeting; E Moxon having been elected as PTO Trustee.

TB968 Register of Interests

JC asked that their membership of the University's Governance Committee and its Student Experience Committee be registered.

SAT asked that their membership of the University's Remuneration Committee be added to the Register.

Chair noted that an earlier error as to membership of University Senate and University Council had been corrected.

TB969 Minutes of the previous meeting

MM noted a minor syntax error, with this correction, the minutes of the meeting held on 6 April were agreed.

TB970 Action Log and Matters Arising

Chair noted completed action points.

AM noted that the mooted expansion of places on the Board's sub-committees would be discussed at AHRC's next meeting.

Chair clarified, as to the query over the number of complaints in the DRO Report, that there had been multiple complaints to the DRO as was normal in Union elections but all except one had been ruled upon by the DRO; the exception was the one referenced in the report that had been sent to the Returning Officer for a ruling.

TB971.i Amendment to the Articles of Association

MM noted they had spotted an anomaly in the Glossary to the Articles where all the FTOs were described as 'major office holders' when in fact, owing to their not being elected by cross-campus ballot, the PG and the UG Education Officers did not qualify under the 1994 Education Act.

AM advised, when the changes had been made to create the PG Education Officer positions, due to an error on the drafter's part, the definition of 'major officer holder' in the Glossary had not been changed. AM advised that it was a simple task to change the wording in the Glossary.

TCU advised that MM obviously had wider concerns over the implications of the definitions and recommended that the Union contact other Unions that had PG officers as full-time officers to find out their understanding of how the position related to the 1994 Education Act.

DS commented that there was a complication that should be borne in mind that 'major office holders' were restricted to two one-year terms in the Act but holders of other offices were not.

Chair noted that the Union would contact other SUs to establish the position of PG officers in relation to the 1994 Education: the results would be considered by Management Committee. **AP**

TB971.ii Sub-Committee Minutes

MM proposed that the Board appoint members to the Appointments and HR Committee for the coming year.

The Board appointed MM as AHRC Chair, CP as FTO member and KW as External Trustee member with CW as lead staff support.

PERFORMANCE

TB972 Chief Executive Report

TCU drew attention to the written report.

TCU highlighted:

- Organisational Plan had been used as an interim measure the previous year had proved extremely useful and would continue in the current year and would form the basis of performance reports to Board. The current detailed departmental plan would be subsumed into the Organisational Plan and the final version circulated to Board; **AP**
- The Union's Visions and their alignment to the Strategic Objectives would be also circulated; **AP**
- It had been agreed to not have a rigid Strategic Plan given the uncertainty around Brexit, the Augar Report, a possibly upcoming General Election and uncertainty as to the University's intentions as to funding. The aspiration would be to spend the current year working to evolve a long-term strategy;
- Management Committee's processes had been thoroughly reformed to make the Committee more effective and to empower FTO's in the operational decision making of the organisation

JC asked as to the letter from Epic Studios and whether there was any legal or financial risk to the Union.

TCU advised that, as there was no specific figure mentioned in the letter, the claim was unquantifiable. TCU advised, however, the advice from the Union's lawyers was that the claim was baseless and that the Union had not breached either charity law or the Competitions Act. TCU noted that the Union had replied to the Epic Studios on the basis of the legal advice and had yet to receive a response.

MM took the point as to the uncertainties that could impact on any strategy but wondered, given the high levels of risk to the Union that had been identified, whether it would be wise to have a sense of strategic direction for the immediate future.

TCU advised that, for the immediate future, the aims and strategic ambitions would inform planning for the coming year and these would be published on the website. TCU advised, however, for the long term that they remained of the view it would be pointless to build a detailed plan that could be rendered unachievable due to lack of funding or radical changes to the HE landscape.

MM noted the Union's current inability to deliver all its desired charitable outcomes due to lack of funding and wondered whether commercial services such as Marketing and Events could play a part in delivering the outcomes, thus saving the Union money. MM believed that a great deal of election publicity could take place in Union outlets and some PG events that were currently free might be ticketed with a small admission charge.

TCU advised that there would not many Union events that were not commercial events, already ticketed, put on by Clubs or Societies or run at the behest of the University so there would be little scope for revenue generation.

MM noted the report referenced the Mental Health Task Force's sub-groups; MM believed it important for the Union to lobby to secure representation on all the groups.

TCU advised that the VC had not, as yet, indicated how the eight pillars of the strategy would be assigned but, when they were, the Union would be striving to ensure that the student voice would be heard in each group.

MM noted the Union's continuing low score from its members in the National Student Survey (NSS). MM noted they had been raising the issue at University meetings and wondered whether more could be done to increase student engagement with the Union by increasing volunteering opportunities.

TCU advised that the Union had abandoned the requirement of holding elections for first-year student reps and in the coming year any first-year student would be able to attend their School Staff/Student Liaison Committee; the Union hoped that this would help build a cadre of involved students in each School. TCU advised that the Union had presented to the University a comprehensive programme to build academic communities in Schools but that University funding for the programme had not been forthcoming. TCU advised that without adequate funding there would be little likelihood of a higher score for the Union in the coming year's NSS. TCU advised that it should be borne in mind that the future of the NSS question on student unions was very much in doubt as many experts believed it lack credibility as a measure of student engagement.

There were no further comments.

TB973.i CEO KPIs Update

Chair noted that this item would be discussed under Closed Business.

TB973.ii Organisational Plan 19-20

TCU advised that the Plan broke down the strategic aims agreed at the Board's Strategic Development Weekend in April into requirements for each Department to fulfil. TCU advised that the Plan was not as yet complete.

Chair noted that there was a link to the current version in the agenda and this version would be constantly updated. Chair noted that they would circulate the presentation on fulfilment of strategic objectives that, unfortunately, there had not been time to present in the strategy sessions earlier in the day. **AP**

ALP noted that the Plan did not appear to be in the agenda papers. TCU apologised for the oversight and noted the Plan would be uploaded to the drive. **AP**

TB974 Senior Management Team Papers

Noted without comment.

TB975 Code of Conduct Report

The Board approved the Report's recommendations without comment and appointed FF as Supervising Trustee for the coming year.

COMMERCIAL AND TRADING

TB976 Development and Oversight Board Minutes

Nothing to report.

TB977 Social Enterprise Report

Chair noted that this item had been covered earlier in the CEO Report and was also covered in the summary of the Management Accounts.

FINANCE & LEGAL

TB978 Summary of Finance Committee Business

ALP, as Chair of the Committee, noted it recommended approval of the Budget to the Board. ALP noted that the Committee had accepted the need for a deficit budget as a strictly temporary measure for the coming year. ALP noted the budget included the University's extra funding focused on wellbeing and the first tranche of sponsorship for the Waterfront. ALP noted that the budget did not include provision for filling the positions of Director of Charitable Services and Director of Social Enterprises which would remain vacant for the coming year.

TCA alerted the Board to the fact that, during the budget setting process, trading numbers had fallen away by around £100K thus cancelling out the extra £100K Wellbeing funding from the University. TCA cautioned the fall would have a knock-on effect for budget setting in the coming year.

MJ wondered as to the membership of Finance Committee for the current academic year.

ALP noted that this would be ALP, MJ, CF and the two, to be elected, Union Council representatives. ALP noted, however, that all Trustees were welcome to attend.

MJ thought it advisable, as the Committee would be steering the Union's negotiations with the University over a sustainable funding model, to have as large an input from other Trustees as possible.

Chair asked that any Trustees interested in attending upcoming Finance Committee meetings to contact them so that they could be sent meeting invitations. **AP**

TB979 Budget Approval

MM wondered if the cost reductions referenced involved taking money from student committees.

TCA advised that, in the final Budget, there had been cost savings of £40K: the object of which had been to bring the deficit to an acceptable level and to provide a pool to support fulfilment of the Vice-Chancellor's request for enhancement of wellbeing provision. TCA noted that in amongst the savings culled from discretionary budgets were £2.5K from PG, £5K from campaigns and SOC, some from student attendance at conferences, some from staffing including not holding a staff residential and the merging of two mental health budgets.

MM wondered whether cuts to student controlled budgets were against the Union's stated values: specifically, empowerment of students.

TCA advised that few of the above spending powers were under the direct control of students.

MM noted that the media, PG and campaigns were directly controlled by students via the SOC budget.

SAT noted that they had personally managed the SOC budget and made it work with reduced spending.

MM agreed but wondered whether there were alternative areas where savings might be found which would not represent a conflict with the Union's values.

TCU advised that the great majority of Charity spending was non-discretionary and, inevitably, discretionary spending cuts would hit student campaigns and support budgets disproportionately. TCA advised that the Budget had been recommended by the FTOs at Management Committee and by the Finance Committee for approval by the Board.

SAT believed that, for the future, it would be sensible for the Union to not focus exclusively on cost cutting in the charity but should also look at cost savings in commercial services.

BG wondered how, given current market trends, management would secure a 5% increase in Bar sales. BG noted the possibility, if prices were increased, sales and income might actually decline.

TCU advised that the price increases were driven by the increased cost to the Union of wholesale drinks under the new NUSSL deal. TCU noted that improvements to the LCR drinks service would be coming online which would mean staff would be able to serve customers more quickly with drinks they

preferred rather than just being able to serve bottled drinks as at present. TCU advised that managers were estimating a 40% increase in turnover. TCU noted that additionally the events programme had around 10% more gigs to generate Bars income from.

SAT noted that bar prices would be coming to Management Committee for approval and wondered if by agreeing to the Bars forecast in the Budgets, FTO Trustees would be giving prior approval to price rises.

ALP noted that increases in drink prices were a small factor but added to the increase in SAM membership along with student concerns over wellbeing on campus, they might well generate an amount of dissatisfaction with the Union.

SAT itemised for the meeting a range of bar price increases which SAT believed would be unpopular with the members.

MJ believed there were two sides to the question: maintaining the financial sustainability of the Union and managing the student politics of drinks prices. MJ believed that the Board should be maintaining the finances of the Union rather than opting for selling cheap alcohol to students. MJ also believed it unproductive in a future discussions with the University for the Union to appear to have succumbed to pressure to keep alcohol prices low. MJ believed the Union should be able to demonstrate that it could take difficult decisions when required.

SAT reiterated their earlier question as to whether approving the Budget would mean prior approval of bar price rises.

TCA advised that the Budget was a pathway, a series of forecasts and ambitions and that to reach the forecast revenues the commercial team would use a mix of strategies which might or might not include Bar price rises. TCA advised that by approving the Budget individual Trustee would not be making a specific commitment to price rises.

BG asked for more details of the new NUSSL drinks deal.

TCU advised that the pricing of the core range of products formed the two-year deal. TCU noted that LWC was a one-year deal as there was some question as to its logistical capabilities. TCU advised that the basic NUSSL deal was a good one with competitive pricing.

DS noted that there would be a review of the Budget in January 20 and wondered whether this meant the Board was being asked to approve the Budget for the entire financial year or only until January.

TCA advised it was approval for the entire year as the January review would be in the light of the results of the funding discussions with the University which would not kick in the current financial year: the object of the review would be to gauge the size of the deficit.

The Board approved the Union Budget for 2019-20.

TB980 Year End Management Accounts

TCA advised that Finance Committee had not been able to consider the final version of the accounts prior to Board.

TCA highlighted:

- The goal in the previous year and in the current year was for commercial services to generate £300K of operating profit.
- The current operating profit was £212K and the Union might have to come to terms with an operating profit of nearer to £200K rather than £300k for future years
- The narrative included in the paper focused on year on year to give clarity to the Board
- Cash in hand was less than forecast but not problematically so
- Proven Reserves had dropped by £152K
- Capex had been restricted to a low level which over time would not be sustainable

TCA advised that the numbers would be reconciled and the final numbers would be included in the Union's Annual Report which would be considered at December Board.

There were no comments.

STRATEGY/POLICY

TCU advised that the Crowe Clark Whitehill forensic audit had identified these two areas as a potential risk and policies had been drafted; these would go out to staff for consultation, to the JCNC for approval of the recognised trade union and come back to the Board for final approval.

MM asked as to process whether the policies should be considered by AHRC. TCU advised that under the Schedule of Delegation staff policies were considered by Management Committee and, for final approval, by the Board

TB981 Draft Health and Safety Policy

FF believed the paper appeared more like a management plan than a policy. TCU advised that the Union's old policy had been merged with the University's and had had managerial responsibilities added. TCU advised that the inclusion of the management aspect was intended to give the Board and staff greater clarity on how the Union managed Health and Safety.

Noted without further comment.

TB982 Draft Safeguarding Policy

Noted without comment.

RISK

TB983 Response to the Crowe Clark Whitehill forensic audit

TCU advised they had drafted a paper on what a Risk Committee would seek to do in the light of the Board's earlier strategic discussions as to risk where Trustees had requested that a separate committee to oversee risk management be set up for a trial period of one year. As to the Committee's membership, TCU advised that this would include any number of Union Councillors that the Committee saw fit: TCU urged caution as to the appointment of too many Council members as this might result in meetings not making quorum.

SAT believed the one External Trustee on the Committee would not have expert knowledge of the entire range of risk facing the Union and it would be wise to seek external expertise, possibly from a member of University staff.

TCU advised that Kent SU had a staff member from a leading insurance firm on their risk management group: TCU did not know whether this was a remunerated or voluntary position.

The Board asked that the ability to draft in external support be added to the Committee's remit and asked TCU to investigate what arrangements other SUs made to obtain external expertise. **AP**

ALP believed that the risk owners as identified on the Risk Register should be part of the Committee.

FF agreed noting this would ensure that the Committee's focus would not be just financial risk but the whole range of risk.

TCU advised that in the detailed internal plan for risk management individuals had been identified as risk owners but the owners of risk at strategic level were TCU and CW and, as the Committee's work would be at a strategic level, it was appropriate that staff support should rest with TCU and CW.

TCU advised that, for immediate action, corporate risk owners would be detailed on the Risk Register. **AP**

Chair noted that the Committee would have the same regulatory framework as other Board committees and, in a response to a question from ALP that it would be open for any Trustee wishing to attend.

The Board agreed to the creation of a Risk Committee.

TB984 Risk Register

Noted without comment.

TB985 GDPR

Noted without comment.

SUNDRIES

TB986 Staffing (Closed session)

For this item, all staff, excepting the Clerk, left the meeting.

TB987 Key Decisions of Union Council

Noted that Union Council had not met since the June Board meeting.

TB988 Any Other Business

Noted without comment.

TB989 Time, date and place of next meeting

4 pm, 17 December, Room 1, Union House

TB990 Revised Cycle of Business

Noted without comment.