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Meeting:	Trustee Board
Date:	Saturday 6 April 2018
Time:	3.00-6.00 pm
Location:	Union House Bookable Room 1

**Starred items are for noting and will not usually be open for discussion unless a prior request is placed with the chair.*

Some papers are confidential- they will be marked as such.

ADMINISTRATION

TB922 Declarations of Interest (AM)*

To note: Any new items of interest in the register and to view existing register. (See pages 5-6)

TB923 Minutes of previous meeting(AM)*

To receive: The minutes of the meeting held on 18 December 2018. (See pages 17-18)

TB924 Action Points and Matters Arising (GB: 5 mins)

To receive: The Chairs Actions report and any matters arising from the minutes not otherwise covered by the agenda.

TB925 Sub-Committee Minutes*

To receive: The minutes of the Appointments and HR Committee are available [here](#) and those for Management Committee are available [here](#). The minutes for Finance Committee are included in the Finance Section.

TB926 UEASU Election Results (TCU: 5 mins)

To receive: The general election results for Officers to serve for the academic year 2019-20. See [here](#)

PERFORMANCE

TB927 Chief Executive Report (TCU: 20 mins)

To receive: The report for the last quarter from the Chief of Executive. (See pages 20-24)

TB928 KPIs Update (TCU: 5 mins)

To receive: A verbal update from the CEO, see [here](#) for RAG ratings on Operational Plan.

COMMERCIAL AND TRADING

TB929 Development and Oversight Boards (TCU)*

To note: The minutes of this term’s meetings can be found at [here](#)

TB930 Social Enterprise Report (TCU: 10 mins)

To receive: (See pages 25-26)

FINANCE AND LEGAL

TB931 Summary of Finance Committee Business (TCA: 20 mins)

To receive: A report on matters considered by the Committee on behalf of the Board. (See pages 28-29)

TB932 Second Quarter Management Accounts (TCa/OG: 5 mins)

To receive: Executive summary of the Management Accounts. (see pages 30-32)

For the Management Accounts see [here](#)

For Finance Committee minutes see [here](#)

For Finance Committee agenda papers 29 March see [here](#)

TB933 Budget Estimates (TCA: 30 minutes)

To conduct: A discussion as to the process for submission of the Budget Estimates for approval by Union Council.

STRATEGY

TB934 Strategy Development*

To note: Covered during tomorrow’s discussions.

RISK

TB935	Risk Register (TCU: 10 mins)
To receive:	Updates on the Union’s ongoing risk register and discuss the Union’s risk envelope. See here for updated Register.
TB936	GDPR Update (CW: 5 mins)
To receive:	To receive an update on progress in pursuit of new general Data Protection Regulations (requested for each Board)

SUNDRIES

TB937	Key Actions of Union Council *
To note:	Policies passed so far in the spring term can be found here
TB938	Any Other Business*
TB939	Time, Date and Place of the next meeting
To note:	To be discussed at meeting.
TB940	Revised Cycle of Business*
To note:	For revised cycle, see page 34.

AGENDA PAPERS

ADMINISTRATION

Union of University of East Anglia Students Board of Trustees

Register of Interests

April 2018

FULL TIME OFFICER TRUSTEES	DECLARED INTEREST
Sophie Atherton	Graduate of the University, Member of UUEAS, salaried UUEAS Officer, Director of two UUEAS subsidiary Companies and member of University Council
Martin Marko	Sabbatical postgraduate student at the University, Member of UUEAS, salaried UUEAS Officer, Director of two UUEAS subsidiary Companies, and member of University Senate
Jenna Chapman	Graduate of the University, Member of UUEAS, salaried UUEAS Officer, Director of two UUEAS subsidiary Companies, member of University Senate
Georgina Burchell	Graduate of the University, Member of UUEAS, salaried UUEAS Officer, Director of two UUEAS subsidiary Companies, and member of University Senate
Oli Gray	Sabbatical student at the University, Member of UUEAS, salaried UUEAS Officer, Director of two UUEAS subsidiary Companies and member of University Council
PART TIME OFFICER TRUSTEES	
Liam Deary	Member of UUEAS
Harry Bowen	Member of UUEAS
POSTGRADUATE TRUSTEE	
Ruth Flaherty	Member of UUEAS, part-time employment with the University
STUDENT TRUSTEES	DECLARED INTEREST
Charlie Flanagan	Member of UUEAS, internship funded by the University
Stefano Asciana	Member of UUEAS
Ellie Johns	Member of UUEAS, part-time employment with the University.
EXTERNAL TRUSTEES	DECLARED INTEREST
Kemi Watchorn	Freelance HR consultant, Postgraduate Degree holder with the University
Ben Gibbins	Full time employment with Enotria Winecellars Ltd, Postgraduate Degree holder with the University
Martin Jopp	Full time employment with Kings College London, graduate of the University of East Anglia
Frances Fay	Full time employment with Royal Mail

Minutes

Subject:	Minutes of the UEASU Trustee Board 18 December 18
Produced by:	Tony Moore
To:	Board
Action:	To approve
Status:	For Publication
Paper:	TB 902
Purpose:	Record of Decision Making

Present: M Jopp (External Trustee), E Johns (EJ) (Student Trustee), C Flanagan (CF) (Student Trustee), M Marko (Full Time Officer Trustee) J Chapman (Full Time Officer Trustee), H Bowen (MA) (Part Time Officer Trustee), L Deary (LD) (Part Time Officer Trustee) S Atherton (SAT) (Full Time Officer Trustee), S Ascania (SC) (Student Trustee), B Gibbins (BG) (External Trustee), K Watchorn (KW) (External Trustee)

Chair: G Burchell (Full Time Officer Trustee)

In attendance: A Moore (AM) (Clerk to the Board), T Cave (Head of Finance) (TCA), T Cunningham (TCU) (Acting CEO), J Joyce (JJ) (Auditor, Crowe Clark Whitehill), Fiona Hotson Moore (FHM) and Andrew Warner (AW) from Ensors LLP

Apologies: O Gray (Full Time Officer Trustee), R Flaherty (PG Student Trustee),

Key Decisions/deliberations:

- *Received annual Audit Repot*
- *Received forensic audit commissioned by the Board*
- *Appointed Toby Cunningham as CEO*
- *Approved the abolition of the Equality, Diversity and Accessibility Committee*
- *Approved updates to the External Speakers' policy*
- *Approved Scheme of Delegation, requesting one change: on responsibility for authorisation of emergency expenditure*
- *Approved a proposed Bye-Law amendment to increase the number of ETs and FTOs on Finance and AHRC*

Action Points

- *Trustee declarations of interest to be made to the June Board AM*

- *New job description for additional External Trustee to be drafted and job description for University nominee to be drafted JC*
- *Trustees to send their contributions on design of the KPIs to JC All*
- *Chair to ask CW to contact KW as to the draft of the CEO contract GB*
- *Scheme of Delegation: emergency items of expenditure – responsibility for approval to be changed from the Chair of Finance Committee to the members of Management Committee TCU*
- *Action points from the December Finance Committee to be circulated to Trustees AM*
- *Bye-Law amendment to be drafted to increase the membership of the Board's sub-committees JC*

Special Item: Audit Report

TB898 Annual Accounts -17-18

J Joyce (Auditor) advised there were some changes to be made to the text but the report was almost complete and the final version would be Charity Commission compliant.

JJ noted that the figures were complete and showed a net consolidated deficit of £311K in comparison to last year's £398K.

JJ advised that, if Trustees noted a difference between the consolidated deficit figure in the annual accounts and that given in the monthly management accounts, they should ask for a bridge to be provided between the two figures.

TCA reported that a bridge had been provided to and agreed by the Finance Committee.

JJ advised, as to the recommendations in the Audit Finding Reports, that there were no significant material discrepancies in the numbers for Trustees to have concerns about.

JJ reported that the Union had made significant progress on financial reporting and controls and this had made the audit process smoother than in previous years. JJ thanked the Finance Team for their work in facilitating the audit.

There were no comments on the Annual Accounts

JJ highlighted the following items in the Exceptions Report:

Reconciliation of sales and purchase ledgers to the accounting system

JJ noted that the sums owed to creditors and the sums owed to the Union were represented only as lump sums and were not broken down individually. JJ noted, when the audit team had asked for these to be individually reconciled, Finance had been able to do this but the point was this was not done as a matter of routine which was the practice in other SUs. JJ advised that reconciliation could be done, quarterly, using the Exchequer software.

Cash Accounts

JJ noted that the cash accounts had been prepared on two separate dates in July and there was no paper trail showing how these two sets of figures had led to the final figure on the balance sheet and it would be normal practice for this to have been provided.

TCA advised that the new Venues management team would be looking at the handling of petty cash and this would feed into how Finance would address this issue.

Supplier Statement Reconciliation

JJ noted that this did not take place and was important to ensure that the year-end cut-off was correct.

MJ wondered whether all suppliers should be contacted when the reconciliation took place.

JJ noted that it should be, at least, key suppliers and this would represent a step forward.

JJ noted management's work on issues flagged in last year's report.

Credit Card Controls

JJ noted that, if the Finance Committee, were happy with the current level of controls, the audit team would not continue to bring this up as they would have highlighted the level of risk under the present system.

SCA wondered what the consequences for Trustees would be if they were to not act on the auditor's recommendations.

JJ advised there would be no consequence for individual Trustees but, for the organisation, the greater the controls, the greater mitigation of risk.

TCU explained the present position with regard to credit card usage. TCU noted that small purchases were all made online and it would be too onerous a burden on staff and Officers to use their own cards and claim back. TCU noted that the limits were £1K or £2K. TCU noted that management would present more details to Finance Committee on who was allowed to use which cards and spending limits for each card.

JJ highlighted the following recommendations from the exceptions part of the report:

Reconciliation of ledgers

JJ noted that controls in this area guarded against fraud and any serious errors. JJ recommended that if, it were not practicable for staff to double sign-off each journal entry, there should, at least, be periodic sample testing to mitigate risk.

Tills' Sales Variance

JJ noted this was the difference between what had been entered into the till and the cash takings at the end of the day. JJ noted that the variance limit for investigation varied across the organisation but that investigations when the limit had been passed were not routinely taking place.

Financial Procedures Manual

JJ noted that, if any staff were sick or left the organisation, having a manual in place in place would give incoming staff the ability to understand how things worked. JJ noted that management had begun work on producing a manual and that this would be a work in progress for 2019.

TCA advised that a report on progress on the manual would be a standard item on the Finance Committee agenda.

Shop Stock Procedures

JJ noted there had been improvements to the training of staff but there were still differences showing between the perpetual stock system and what was, actually, on the shelf.

TCU noted that Spar were helping Shop staff on this and the Assistant Manager role would focus on stock control.

JJ drew Trustees' attention to the advisory papers in the report which would give them detailed background on governance, developments in the charity sector, mitigation of the risk of fraud, and cyber security.

At the request of TCA, JJ drew attention to the need for Trustees to declare whether they or their families had conducted any business with the Union; JJ noted that these declarations should be made annually and provided to the auditors.

Chair asked that declarations on related interests be made to the June Board. **AP**

TB899 Forensic Financial and Governance Audit

Fiona Hotson Moore (FHM) and Andrew Warner (AW) from Ensors LLP presented the results of a forensic audit requested by the Board in the wake of the departure of the previous CEO.

Financial Controls

FMH reported that financial systems and controls were, in general, working well but there were some areas where procedures needed tightening up.

FMH highlighted the following areas:

Bank Signatories/online banking

Recommendation that the number of signatories is increased to ensure correct authorisation.

Tenders

Recommended that there should be an official policy for tenders with a requirement that purchases over a certain level should have at least three tenders to go to Finance Committee to consider.

Fixed Asset Register

Noted that there was none in place and each fixed asset should have a unique identifier.

Supplier Accounts

Noted that this was an area where there was a risk of fraud and that the creation of an account should be approved by two people.

Payroll

Noted favourably that Payroll sat outside the Finance team but recommended there should be a separation of approval of the payroll and approval of payments.

Credit Cards

Recommended a formularisation of the process for card payments with a register of card holders and concrete justifications for who should hold cards.

Journals

Recommended, as had the regular auditors, that a journal log should be in place.

Governance

FMH noted that there were no issues to report as to the role and behaviours of the former CEO as to financial oversight.

FMH noted that performance against the Charity Commission checklist on internal finance should be annually reported to Board outside of the general audit.

FMH noted that the number and length of Board agenda papers were far too large for Trustees to gain insight and to allow meaningful oversight.

AM advised that the former CEO had taken responsibility for collation of the agenda papers and since their departure the Clerk had been able to reduce the agenda papers to around 50 to 60 pages.

FMH recommended that the objectives of the Finance Committee and how it reported to Board should be made clearer.

FMH noted concerns about the Estimates Paper which effectively functioned as the Union's budget.

TCU advised that the format for the Estimates had been designed by the former CEO and work was underway to change the format.

AW advised it was important that a budget paper was uncluttered and easy to understand so that the Trustees could gain a meaningful oversight of the organisation costs when making budgetary decisions.

FMH noted that Board expertise was a fundamental issue for any charity and, despite inevitable difficulties in recruitment, it was important to have a range of expertise across the Board.

TCU advised that the Board had worked to identify any skills' gaps.
AM advised that a Trustee Effectiveness Survey was sent annually to Trustees.

FMH wondered what work had been done around internal and generic Trustee training.
TCU advised that Officer and Trustee training had been reviewed and for the current year an external provider had been commissioned to provide training independent of the organisation.

AM advised that, for External Trustees, the Clerk provided training on the structure and process of the Union and that staff were looking for an external provider for training on the principles of trusteeship to supplement the Charity Commission's guidance issued to all Trustees on appointment.

FMH noted that there was a resource issue for Full Time Officer Trustees in having adequate time to focus on their trustee work as well as their officer responsibilities.

FMH concluded by noting that there was no internal audit undertaken at present and this would be a useful exercise for an organisation of the Union's size; FMH noted that this might be outsourced if the Union did not want to invest in an internal audit function.

MJ noted that Finance Committee had discussed the forensic audit report and asked for actions to be taken on some of the recommendations; MJ thanked FMH and AW for their work on the audit.

ADMINISTRATION

TB900 Membership and Development

Chair welcomed H Bowen, the new Part Time Officer Trustee, to the Board.

JC reported that JC and EJ as members of AHRC had interviewed several candidates for the community relations ET brief and would recommend the appointment of Frances Fay to the post. JC noted that Frances had a wealth of experience and held a senior position for corporate social responsibility with First Bus Group. JC noted that Frances had indicated that they would be happy to take on the Supervising Trustee for the Code of Conduct role.

On the recommendation of the Appointments and HR Committee (AHRC), the Board appointed Frances Fay as External Trustee and as Supervising Trustee for the Code of Conduct.

JC noted there were two more External more roles to fill. JC reported that the AHRC had looked at the IT and GDPR compliance role and recommended that this be broadened out to encompass strategic communications.

Chair asked JC to prepare a job description to include the new criteria and use this in the upcoming recruitment. **AP**

JC noted the intention would be to have a recommendation ready for an appointment to be made at the next Board meeting.

JC noted, for the remaining ET role, the University had submitted a formal request for a University nominee to sit on the UEASU Trustee Board.

JC noted that AHRC had welcomed the request and had thought it desirable for the University to give the Union some options as to who they would appoint rather than the University making the appointment.

EJ noted AHRC had asked the University to nominate someone with charity law expertise as this was a problem area for Board recruitment.

KW cautioned that, rather than asking for a number of candidates, it might be better to request one nominee with a specific set of skills.

After a Board discussion of KW's point, the Chair asked JC to prepare a job description for the University nominee and to send this to the University to inform their choice; AHRC would then run a normal interview process. **AP**

CLOSED SESSION

TB901 Declarations of Interest

The Board noted that: Martin Marko was, not as stated, a graduate of the University but an intercalating postgraduate student at the University; Charles Flanagan had begun an internship funded by the University.

TB902 Minutes of the previous meeting

JC noted a cut and paste error as to the name of the Chair, with this correction, the minutes of the meeting held on 18 September were agreed excepting.

TB903 Action Log and Matters Arising

Chair noted the action points were completed or were covered elsewhere on the agenda.

There were no comments or matters arising.

TB904 Abolition of the Equality, Diversity and Accessibility Committee

JC noted that a Bye-Law Amendment, proposed by a Part Time Officer, and passed by Union Council had merged the Equal Opportunities Committee (EOP) (part of the Union's executive arm) with the Board's Equality, Diversity and Accessibility Committee (EDA) to create the Equality, Diversity and Inclusion Committee (EDICT).

AM advised that the Board would need to give prior approval to the abolition of its own sub-committee and membership of the Committee would need to be looked at as an External Trustee had been included on the list of members whereas it might be more appropriate for an External Trustee to be invited.

AM noted that the reasoning of the proposer of the change had been that, as the EDA had never met and appeared to be moribund, it would make sense that the EOP, which was charged with making recommendations on staff and student equality and diversity to the Board, should, in its new iteration, as EDICT, take over the role that the EDA had failed to fulfil.

MJ wondered where the minutes of the EDICT would go and noted the Trustees' responsibility for staffing matters.

JC noted that EDICT would report to the AHRC.

The Board approved the creation of EDICT and the abolition of EDA with the proviso that the Bye-Law should be amended to invite rather than appoint an External Trustee to EDICT.

TB905 Sub-Committee Minutes

Noted.

PERFORMANCE

TB906 External Speakers' Review

TCU advised that it was a requirement of the Prevent legislation that the Board reviewed the policy and reports on External Speakers annually.

TCU noted that, although the Union had policy not to support Prevent, it was legally obliged to comply with the legislation.

TCU noted that the policy had been updated in the current year and the updates had been approved without comment by the University.

There were no comments.

The Board noted receipt of the report and approved the updated policy.

TB907 Scheme of Delegation

TCU advised that the existing Scheme had been tightened up as to powers of decision making over financial management, staffing and recruitment.

TCU advised that a key task going forward would be to train the chairs of the various committees and groups as to the scope of their powers under the Scheme.

JC wondered, as to the one off items of expenditure over £20K approval of which had been delegated to Management Committee, what sort of items were covered under this category.

TCU advised that the category would be for an emergency expenditure such as the PA blowing up and needing replacement in order for the LCR to function.

JC thought that this would be a big decision for one person, the Chair of Finance Committee in the proposed delegation, to take.

TCU advised that the decision might be made by email by the members of Management Committee.

Chair asked that the Scheme be changed so that the authorisation of the expenditure would be approved by Management Committee. **AP**

There were no further comments.

The Board agreed the Scheme of Delegation with the above change.

TB908 Chief Executive Report

TCU advised that the Union had not had a response from NUSSL as to the letter notifying them that the Union would continue purchasing but would refuse to sign any lock-in agreement. TCU noted that the lack of response was, no doubt, due to the present crisis in the NUS. TCU advised that NUSSL could not afford to lose the Union as a customer and trading would continue on its present terms.

NUS Crisis

TCU advised that a paper would go to Management Committee on the Union's contribution to the NUS Turnaround Board's consultation exercise on how to meet the crisis; key points would be:

- NUS must be the national voice for all students and must listen to the different parts of the movement – FE, the nations and the liberations included
- NUS democracy should be less cumbersome
- WONKE can support HE as to policy advice – NUS should concentrate on what it does well – officer support and training plus generic legal advice
- NUS must look to improving the behaviours of officers and staff

National Living Wage

TCU reported that the National Living Wage Foundation had shown no interest in developing a bespoke student living wage.

GDPR

TCU reported as to GDPR that the interim Director of HR was overseeing the work and that the Union was near to compliance for dealings with the public and with staff data. TCU noted that work was continuing as to members' data but was confident that the Union would be compliant by the May deadline.

There were no comments.

COMMERCIAL AND TRADING

TB909 Development and Oversight Board Minutes

Noted.

TB910 Social Enterprise Report

Noted without comment.

FINANCE & LEGAL

TB911 Summary of Finance Committee Business

JC, in the absence of OG, reported that the Committee had met earlier in the day and had looked at the recommendations in the audit report and had asked for several actions to be taken.

Chair asked for the action points to be circulated to Trustee. **AP**

JC reported that the Committee had agreed to accept the recommendations of the Trustees of the SUSS legacy scheme as to a resolution of a historic legal issue; JC noted this was in line with the consensus of the Board at its September meeting.

There were no further comments.

TB912 First Quarter Management Accounts

TCA reported that trading was somewhat ahead of budget and spending somewhat below which was normal for this phase. TCA noted there were no red flags to be reported. TCA noted that, in line with the Board's delegation, the Finance Committee had gone through the individual papers in detail.

There were no comments.

STRATEGY

914 Strategy Development Weekend

Chair noted that Trustees had opted for the weekend of 6 and 7 April and that the spring Board meeting scheduled for 2 April would move to 6 April.

RISK

TB915 Risk Register

TCU advised that the process for reporting of risk needed to be reviewed annually and that this would be considered at a future meeting. TCU reported there had been some additions to the Register including the crisis at NUS.

TCU noted the recommendations in the audit reports on health and safety and legal compliance. TCU advised that following the recommendation, the intention was to conduct a compliance audit to be undertaken bi-annually by an external provider so as to give the Board comfort as to the integrity of the Union's procedures; TCU noted that a paper would go to the Strategic Development Weekend for consideration.

The updates to the Register were received without comment.

TB916 GDPR

JC wondered whether the Union would be compliant by the May deadline. TCU confirmed that it would.

There were no further comments.

SUNDRIES

TB917 Key Decisions of Union Council

Chair noted an issue concerning EDICt had been raised earlier in the meeting.

SA believed there was an issue concerning another policy which sort to end the endorsement culture in Union elections. SA noted that the resolves would suspend a FTO for the duration of the campaign if they breached the policy.

MJ believed it was unclear whether they would be suspended as an Officer and/or a Union employee and how the Board would deal with the ambiguity.

TCU advised that they would be excluded from campus so it would be suspension from both roles.

KW suggested that the ramifications should be included in FTOs' contract of employment.

AM advised that it was also unclear whether an FTO would be suspended as a Trustee; if it did, it was questionable whether this would be valid.

TCU advised that pragmatically the FTO would be steered away from any Trustee business during the suspension.

There were no further comments.

TB918 Any Other Business

JC raised the issue of membership of the Board's sub-committees.

JC noted that the recent AHRC meeting had been inquorate and the Finance meeting had only just made quorum.

JC wondered whether it would be advisable to expand the membership to include more Board members to help ensure that meeting would reach quorum.

MJ thought that the Board would not want to dilute the student voice but meetings often took place out of term time and it might be more practicable to have more places for External Trustees and FTOs.

There were no further comments.

*The Board agreed as to the need to increase the membership of its sub-committees and asked JC to draft a Bye-Law amendment to take to Union Council. **AP***

TB919 Revised Cycle of Business

Noted without comment.

TB920 Time, date and place of next meeting

On the Saturday of the Strategy Development Weekend.

TB921 Meeting Self Evaluation

KW asked that meat products be included at the Board's lunch.

TCU noted that this particular meeting had been dominated by finance and one of the tasks for the Strategy Development Weekend might be to look at how the Board dealt with each strand of governance. TCU advised that there was a need for the main Board to consider the audit report and recommendations but that some of the background might be made more accessible if interested Trustees attended the Finance Committee.

AGENDA PAPERS

PERFORMANCE

Subject:	CEO Report
Produced by:	Toby Cunningham
To:	Board
Action:	To note
Status:	For publication
Paper:	TB 927
Purpose:	Information

1. Report Against Plan

The plan has been updated for this term and includes all aspects of the Universities Wellbeing Strategy Written in 2017. Generally we are moving forward in developing our strategic thinking, financial reporting and continuing a number of key projects.

2. Other Actions for ACEO

We appointed Josh Clare (internal candidate) as Assistant Director of Charitable Services. We have paused recruitment of senior posts awaiting the outcome of Estimates and our work with the University on future funding.

General Staffing Issues; Following the last Board meeting

We have continued to consult with staff on strategic matters including defining our values and looking at emerging strategic priorities. We continue to develop relationship with the GMB union who represent student staff. Caroline, Georgina, Sophie and I met with Jenny Baxter the Chief Operating Officer to discuss the University strategy and how it might align with our strategic thinking.

Budget, Capex and 5-year plan; Oli and I met with senior managers within the University on our five year financial plan. The comparable funding survey remains open as the University await responses from other institutions. We discussed our emerging strategic ambitions and the financial forecast and capex requirements. The outcomes where to continue to refine the capex plan, await survey results, meet with Jenny Baxter to look at strategic alignments and to meet again with Jason Brown to further interrogate the numbers.

Conferences; I attended Southern SU's in Southampton with officers, this is a self-facilitated regional event for CEO's and officers. I attended NUS CEO Networking event in Cardiff, The event was focused on the future on NUS.

IT; purchasing arrangements through the UEA system are proving cumbersome and slow. However, migration for staff onto the new IT equipment is underway and most laptop users have now migrated.

Training; I attended a Leadership in Safety training event.

I have set up a new management structure with Senior Leadership Team of Caroline and I, dealing with any day to day issues and supporting Management Committee. Senior Management Team of us and the 4 Assistant Directors we will meet monthly and deal with issues of corporate management, Health and Safety, Risk Management, Legal Compliance, Finance, HR and Wellbeing. The Management Team of SMT please the 5 Heads of Department will meet monthly and monitor the performance of the Union plan, department plans and Managers can bring issues for the group to consider.

3. Update on national student movement developments of interest to trustees

Following the last board meeting a number of key events have taken place at NUS.

- 1) NUS Turnaround crisis. Sophie and I attended an on-line meeting with NUS to talk through the 'White Paper'. The Officers, I and Josh then consulted with SOC to develop our formal response to the 'White Paper'. NUS have now prepared Turnaround policy to go to conference in April and we have booked in on-line workshop sessions for key staff and delegates ahead of the conference.
- 2) We have been allocated a key NUS contact and are arranging for them to visit UEA
- 3) WonkHE are launching a WonkHE SU subscription service lead by our former CEO. The aim of this is to fill the HE policy and Union support gap left by NUS. It is likely we will subscribe to this service.
- 4) The Auger Report, the Governments review into HE funding remains unpublished with lots of rumour and speculation, this was due to be published in February.

3. Brexit

We have received from NUS details of supplier contingency plans for hard Brexit. We are attending regular meeting with University Management on Brexit, we have raised a series of concerns from EU student funding (the University has agreed to hold a reserve of funding for these students) and the potential rise in hate crime and activity of the extreme right.

4. GDPR

We have now published and shared with staff all our HR related GDPR policies and plans. We are rolling our on-line training with staff.

5. Risk Update

Current position with student/casual worker/employee status unclear. Caroline has begun the contract review. Licensing (see below) has now become a significant risk.

6. Update on issues with UEA of direct interest to Board

The recent completed suicides by two students has brought the Universities mental health provision into sharp focus.

The second tragedy sparked a massive response from students with nearly 9000 people signing an on line petition calling for David Richardson the Vice-Chancellor to 'directly address the mental health crisis at UEA'.

Josh Clare has taken the staff lead on this organising a very moving and touching event in the square allowing students to reflect and write on stones and lay them in the square.

He also produced the manifesto entitled 'We Will Be Heard' which sets out the Union's position regarding mental health provision on campus. After further consultation with members this document will be submitted to the next student experience committee. We also assisted and advised the university in the communications. The Officers have met with David Richardson on several occasions to discuss the University's response to the tragedy.

The University have expressed their gratitude to the Union for our considered response.

Caroline and I are working through our Data Sharing Agreement with UEA and will be discussing this with a variety of internal and external stakeholders to ensure clarity on data sharing with UEA.

We continue to work with the University on their wellbeing strategy and this work is being accelerated by recent events.

We submitted two papers to Student Experience Committee, one on the results of our annual student survey and the other on costs on campus. The costs on campus paper has triggered a review of university course costs being correctly published on their website.

We have also contributed to the University's Terms and conditions for Students a requirements of the Office for Students registration and had access to the University's Student Tracker data which allows us to understand the experience of Widening Participation students.

Jo Caulfield Head of Education and Engagement is leading our BAME experience project and we have challenged the University on their attainments Gaps and their own evidence that demonstrates the recent growth in issuing top grades has almost exclusively been for white student's exacerbating the black attainment gap. We continue to work with a group of BAME students on a programme that includes decolonising the curriculum, developing a 'never ok' campaign for race hate crime, developing staff training and participation in Union events and opportunities.

7. Licensing and Events

Redacted due to commercial sensitivity.

report

Subject:	Social Enterprise Performance Report
Produced by:	Toby Cunningham, CEO
To:	Trustee Board
Date:	6 th April 2018
Action:	To consider/discuss
Paper:	TB930
Status:	For Publication
Purpose:	This paper updates on performance of the Social Enterprises for the First Half year trading

Summary

The consolidated position for all social enterprises is £42k below budget. This is based on a combination of factors across the enterprises and detailed below. The principle areas falling below expectations are retail and bars. The performance of Entertainments is keeping us close the budget position. All catering is performing above budget. The Waterfront is performing well. Whilst the position against budget is disappointing we did present an ambitious budget based on improved GP – particularly in retail. If we look at the year on year picture, we are £111k above which does demonstrate a significant improvement of 13%, although this includes the marketing income without £60k which are transferred into the charity.

Table 1 Half Year Contribution

Department (all £)	Actual Contribution	Budget	Variance	Previous Year	Variance
Retail	94,271	212,002	(117,730)	148,889	(54,618)
Unio Catering	74,626	61,071	13,555	52,238	22,388
Vending	5,144	11,651	(6,507)	14,243	(9,099)
Pizza	13,982	14,725	(744)	17,357	(3,375)
Costa	9,891	4,550	5,341	3,924	5,967
Chips	8,957	5,555	3,402	2,947	6,010
Bars	452,795	498,264	(45,469)	494,173	(41,378)
Ents	229,945	134,626	95,319	114,139	115,806
Ents O/H *	(74,307)	(71,089)	(3,219)	(125,461)	51,153
Admin	(46,624)	(42,189)	(4,435)	(39,215)	(7,409)
Lettings	5,745	11,270	(5,525)	3,009	2,737
Waterfront Bars	317,625	291,200	26,425	283,270	34,355
Waterfront Ents	(30,374)	(37,900)	7,526	(20,209)	(10,165)
WF premises	(105,132)	(95,533)	(9,599)	(104,455)	(677)
Totals *	956,543	998,202	(41,659)	844,847	111,696

Unio Catering

Unio continues to perform above expectations

Bars Catering; Pizza, Costa and Fries

Close control of GP and staffing costs have pulled all of the catering elements above budget. It is pleasing to see the pizza operation turnaround a poor early year performance.

Catering Summary

Overall I am satisfied with catering operations, Wendy has now taken over the operational management of the bars and all catering. I am confident things will continue to improve.

Retail

Retail is performing well below expectations in terms of turnover and GP which is only 0.3% below last year and 3.9% below budget. The Spar move remains complicated – particularly with the Fidelity till system. We were assured updates would be automatic, but they were having to be done manually. This alongside with staffing issues (now resolved) in the Warehouse and Spar seasonal and auto ordering, stock control was lost leaving shelves empty of key products. The team have taken control of stock and merchandising and we are beginning to see an improvement year on year (although this time last year we had snow and the strikes).

Bars

The bars downturn in turnover is troubling as whilst we have lost some shows, compared to last year, our club numbers are up but the spend per head is down. I have commissioned the Assistant Directors to investigate the cause of this downturn. The GP is up 2.2% against budget and last year.

Entertainments

Live!

The Club nights are £70k up in turnover, self-promoted gigs are down significantly but this time last year we put on a number of loss making events. The output is a more profitable entertainment programme, with good control over staff costs. However, the recent report from the police on licensing has meant an increase in staff costs for club events and additional staff costs in this area for the rest of the year.

Ents Overheads

The box office is performing well but the media sales team are significantly below budget.

Venues Summary

Overall the venues performance is mixed.

Waterfront

The Waterfront is performing well above with budget expectations. Meltdown on Saturday nights has settled on a par with last year, but Propaganda on Fridays remains buoyant. The gig programme is operating as expected. Overall the Waterfront is performing well, we are working with Estates to put together a scheme of remedial and environmental improvement work required to renew the lease. We are edging ever closer to signing the lease.

AGENDA PAPERS

FINANCE AND LEGAL

Please note: there are no legal papers, finance papers are in a pack (links provided on the agenda index). Director's summary of the management accounts is in the agenda papers below.

paper

Subject:	A summary of business reviewed by the Finance Committee
Produced by:	Tim Cave, Assistant Director of Finance
To:	Board
Date:	22 March 2019
Action:	For information
Paper:	TB 931

The following papers form the agenda for the Finance Committee held on 29th March 2019 (before the Trustee Board Meeting)

- 1. Review of Quarterly Accounts to January 2019.**
- 2. Budget Estimates Preparatory Process**
- 3. Update on SUSS Pensions issues**
- 4. Financial Controls update**

Links in the Board Agenda will be provided to the Finance Committee papers but it is not intended that the Trustee Board Meeting will review the information in any detail.

The key issues which the Board should be aware of are as follows: -

1. Quarterly Accounts to January 2019

- Overall the Union is ahead of budget at Net Operating Income and cash generation level. However this conceals an underlying shortfall in performance from Social Enterprise, offset by staff costs with reduced costs from unfilled vacancies.
- Net operating Income was £31k ahead of budget but £(48)k behind last year at £235k.
- Cash at £2,151k was also ahead of plan and has increased by £585k in the first quarter. This conforms to the normal pattern of cash flow
- The Forecast out-turn for the year is a shortfall at Net Operating Income of £(32,500). This would represent the same result as 2018/19. The result is 'as submitted' by various budget-holders and before identifying any possible remedial actions. This has been presented to Management Committee for sign-off.

2. Budget Estimates Preparatory Process

- The current trading position means that if we assume
 - a similar level of contribution from Social Enterprise as the current year forecast
 - the cost of the current staff in post
 - normal levels of activity and non-staff coststhen the estimated out-turn would be a Net Operating Income of £166k. This represents a shortfall of £163k on the 2018/19 budget.
- This also excludes c.£315k of staff costs if the Union was to run at its full staff structure – for example it excludes the two proposed Director posts.
- Undoubtedly these numbers will require some re-evaluation of our current plans and difficult decisions. Issues will include but are not restricted to:-
 - Freezing recruitment pending an upturn in trading or a firm commitment for extra funding from the University.

- A root and branch review of the staffing structure to ensure that existing staff are allocated to priority services and projects.
- A review of charitable activities to identify initiatives which cannot be delivered without additional funding
- A review of key Social Enterprises to establish potential additions to current year forecast – i.e. Retail trend, response to licencing issues, VMS relationship
- Review of staff discretionary expenditure (Training & Development, Conferences and Events, Residentials and staff / student engagement, surveys and wellbeing)
- A review of non-staff discretionary expenditure (Campaigns, Freshers events, Communications) to identify lower priority spend
- Review of student staff – efficiencies, value and ratio's.
- Revisit the policy of National Living Wage in light of affordability.
- A review of Capital expenditure requirements and an appeal to the University for specific funding of projects that impact the student experience.

3. Update on SUSS Pensions issues

- The Trustees of the Scheme have issued an updated briefing note on the issue surrounding historical inflationary increases.
- The agreed way forward is to contact affected members with an offer which may mitigate, but not eliminate the additional liabilities to the scheme. There will be communication / consultation exercise running between June 1 and September 2019 which will involve the Union.
- The impact of the issue will be dealt into the next Triennial valuation which will be dated July 2019 and take effect sometime in 2020.

4. Financial Controls update.

- There are a number of strands to our Financial Controls work referenced in the December FC Minutes, which are addressed in this paper.
 - Update and RAG-rating on Process Manual
 - Credit Card review
 - Process for handling petty cash to be reviewed
 - Annual review of Financial Controls – and decisions requested in Audit Findings Report
 - FTO role in authorisation of payments
 - Related Party Forms for Trustees.
- This is administrative work that the Finance Committee will normally supervise on behalf of the Board.

paper

Subject:	Management accounts for the 6 months to January 2019
Produced by:	Tim Cave, Assistant Director of Finance
To:	Finance Committee
Date:	6 April 2019
Action:	For information
Paper:	TB 932

Overview

Overall the Union is ahead of budget at Net Operating Income and cash generation level. However this conceals an underlying shortfall in performance from Social Enterprise, offset by staff costs with reduced costs from unfilled vacancies.

The budget for 2018/19 was predicated on a strong increase in Contribution from Social Enterprise to fund the agreed staff structure. The first half trading shows that the Union at a decision point regarding the affordability of this structure under the current funding arrangements. This has been reflected in conversations with the University but will also require decisions to be made in the short term around the management structure and recruitment plans.

Net operating Income was £31k ahead of budget and £(48)k behind last year at £235k. Note that this excludes non-recurring costs associated with SMT severance costs.

Cash at £2,151k was also ahead of plan and has increased by £585k in the first half year. This conforms to the normal pattern of cash flow.

The Forecast out-turn for the year is a shortfall at Net Operating Income of £(32,500). This would represent the same result as 2018/19. The result is 'as submitted' by various budget-holders and before identifying any possible remedial actions.

Revised Contents

The management accounts summary includes the usual departmental overview, which is the easiest way of obtaining an overview of Net Income performance and as an addition this year Summary P&Ls for key areas to give a better overview of Revenues, costs and margins. There are a large number of schedules breaking down the various component parts of the Union activity.

Summary of performance on Net Income and Expenditure.

Net Operating Income for the 6 months to January 2019 was £235k vs budget £204k, a **surplus of £31k**. This is before taking account of severance costs in pay in lieu of notice of £24k which we show below the line.

Against budget, the performance can be further attributed to the constituent parts of the Union as follows:-

All £'000	£'k		All £'000	£'k
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Union (Charitable activity)	73		Gross Profit from trading	(133)
Social Enterprises - campus	(66)		Career staff	158
Waterfront	24		Other income / costs	6
Consolidated Total	31		Consolidated Total	31

Drivers of performance - CHARITY

Most areas are underspent against budget, which is normal for Q1

Union Income	£k (10)	Budgeted income is higher than the actual agreed schedule which will result in a shortfall over the year.
Advocacy & representation campaign and representation budgets	30	} £9k staff costs, £21k call on
Opportunities currently in pipeline	(15)	} £(19)k timing of income on funded posts –
Infrastructure	68	} £65k staff costs (generally vacant posts
Total	73	

Notably, charitable spend is £78k higher than for H1 last year, adjusting for the transfer of Communications from SUS Ltd to the Union, of which £41 is in additional staff costs.

See management accounts pack for further breakdown

Drivers of performance – Social Enterprise

See SE summary in accounts pack. (NB excludes Housing, which is in transition from a source of income through Homelet to a student support offering and will be transferred to the Charity for 2019/20 reporting.

During the quarter the position regarding margins in the shop after the SPAR conversion has clarified and settled at a LOWER level than expected. Alongside reduced revenues this has generated a substantial shortfall in contribution of £(124)k against budget and £(64)k against last year.

Campus Bars and Venues are compensating in part for the shortfall although based on costs in venues rather than through income generation with fewer, more profitable events and lower overhead.

The Waterfront continues to perform steadily at £24k ahead of budget and prior year.

Balance sheet and Cash out-turn

The Cash balance at 31 October 2018 was £2,363k against £2,428k at the same time last year and £2,109k budgeted.

This is an increase since the year end of £797k which follows the expected pattern reflecting the increase in trading liabilities (see graph of weekly balances).

Capital Expenditure

Capital Expenditure is budgeted at a minimal level of £99k for 2018/19 in accordance with the requirement to set a break even budget. This excludes £100k in respect of the SPAR refit which was funded by University grant in July 2018.

The summary schedule in the Accounts pack shows a spend of £58k to the end of **January** against an expected spend for this period of c. £51k.

The new Waterfront lease remains unsigned. This will commit the Waterfront to a schedule of costs, estimated at £55k for the first year, which may exceed the budgeted value of £20k, subject to timing of works.

Forecast

The forecast process has seen all budget holders project an out-turn for their area on an 'as is' basis, taking account of trading trends and the current staff structure. It assumes that some recruitment of relatively minor posts is completed but that the two vacant Director roles are not recruited at this stage.

The overall out-turn is a Net Operating Income of £297k, before one-off items, which would deliver a number broadly equivalent to 2017/18. After Capital Expenditure and Pension Contributions this would imply a small and manageable reduction in reserves at July 2019.

	Forecast	Budget
Net Operating Income	297,194	330,067
Non recurring items	(13,681)	
Pension deficit contributions	(203,950)	(203,950)
General Capital	(54,100)	(54,100)
Waterfront Capital	(44,900)	(44,900)
	<u>(19,437)</u>	<u>27,117</u>

The focus of attention will turn to the Estimates and budget process for 2019/20, which is likely to crystallise a more significant gap between funding and expenditure, particularly around Capital Expenditure requirements.

Reserves

Free Reserves at January 2019 shows an increase over the half year at £1,226k against target £511k. However this is not a measure that should be given too much weight on a quarterly basis. (see Forecast above)

AGENDA PAPERS

SUNDRIES

Cycle of Business

The cycle is proposed to be quarterly with a mixture of standard items, governance items, finance items and strategic items, as well as space for ad hoc items as they arise.

Standard Board Meetings	September	December	March	June
Standard items				
Board, SMT and SOC minutes				
Risk Register Summary				
Management accounts & finance update				
KPI Update				
Annual Detailed Risk Review				
Annual External Speakers Review				
Governance				
Appointments				
Code of Conduct Annual Report				
Election Results				
SUS & WF Annual Report				
Scheme of delegation review				
Finance				
Detailed Internal Budgets				
Update on year end				
Receive and approve audited accounts				
Approve estimates to Union Council				
Strategy				
KPI annual report				Discuss
<i>ES3: Senior post holder remuneration</i>				Approve
Formulation of Strategy: Strategy Weekend				