

Minutes

Subject:	Minutes of the UEASU Trustee Board 19 March 18
Produced by:	Tony Moore
To:	Board
Action:	To approve
Paper:	TB851
Purpose:	Record of Decision Making

Present: M Colledge (Full Time Officer Trustee) (MC), J Robinson (JR) (Full Time Officer Trustee), *(after 6 pm)*, C Koosyial (CK) (Full Time Officer Trustee), M Leishman (ML) (Full Time Officer Trustee), C Ball (CB) (Part-time Officer Trustee), E Scott (Student Trustee), S Ascania (Student Trustee), B Gibbins (External Trustee) *via Skype*, R Flaherty (PG Student Trustee), I Gibson (External Trustee), K Watchorn (External Trustee), *(after 5 pm)* and M Kabore (Part-time Officer Trustee)

Chair: I Edwards (Chair) (Full Time Officer Trustee)

In attendance: J Dickinson (JD) (Chief of Staff), A Moore (AM) (Secretary to the Board), T Cave (Head of Finance) (TCa), Lou Chiu (LC) (Assistant Director for Advocacy), and T Cunningham (TCu) (Deputy Chief Executive)

Apologies: R Chhay (Student Trustee),

Key Decisions/deliberations:

- *Noted resignation of C Tutty as External Trustee*
- *Appointed K Watchorn as External Trustee with immediate effect*
- *Noted the interim appointment of I Gibson as Supervising Trustee for the Code of Conduct*
- *adopted the Strategic Approach to Benchmarking (to begin at June Board)*
- *noted £100k shortfall against budget in current year*
- *received paper detailing possible extra liabilities stemming from the SUSS pension fund*

Action Points

- *To hold an external audit of governance during the current year*
- *Staff to try get some figures either national or other SU to benchmark against for BAME ration for student staff*
- *Support for student leaders should be added to the Governance and Legal section*

Administration

TB822 Membership and Development

ML, as Chair of AHRC, noted the resignation of C Tutty had left an External Trustee position to be filled. ML noted the Committee had discussed what skills set the Board should be looking for when recruiting for C Tutty's replacement. ML noted that the Committee would look at external advice on the recruitment. ML noted currently researching NCVO's guidance on skills sets for Trustees. ML noted they would be liaising with Voluntary Norfolk for provision of governance training for new External Trustees.

ML drew attention to the Committee's report and recommendations on the replacement for Laura Hagen as External Trustee. ML commented that the skills set that the Board had asked for was predominantly HR; ML noted that the recruitment process had been a tough call but had resulted in the Committee being able to recommend an excellent candidate whose skills set were a fine fit with the Board's requirements.

There were no comments.

Chair thanked ML for all their hard work on the recruitment.

ML noted that the candidate, K Watchorn, would be joining the meeting later.

The Board agreed to the Committee's recommendation and appointed Kemi Watchorn as External Trustee with immediate effect.

The Board noted the previously agreed interim appointment of Ian Gibson as Supervising Trustee.

JD advised, as to Development, that the Board had committed to working within the Charity Governance Code for Students' Unions and had conducted a self-audit the previous year. JD advised that there was a requirement under the Code to have an external audit conducted by another SU every three years. JD noted that NUS had put together a pilot group of around twenty SUs which would act as a pool for pairing up SUs to act as auditors for each other. JD advised that there was no requirement for the Union to have an external audit in the current year but it could be a worthwhile to undertake this in the near future as it would provide an excellent benchmarking opportunity.

MC wondered who would decide as to which SUs to pair up.

JD advised that this would depend on the final composition of the pilot group but the idea would be to match up SUs of similar size and complexity.

*The Board agreed as to the desirability of having an external audit of governance during the current year. **AP***

TB823 Declarations of Interest

Noted: there were no new declarations.

TB824 Minutes of the Meetings of 19 December 2017

The minutes were agreed.

TB825 Action Log and Matters Arising

Chair noted the completed actions.

JD advised, as to SMT capacity, that the resignation of the Assistant Director in Social Enterprises had radically altered the situation and new proposals would be made to June Board.

Chair noted that the points from the strategic thinking exercise had been collated and, time permitting, would be considered at the end of the meeting.

JD advised that there had been a scheduling problem with staff training on the Exchequer financial software programme but that new software had been installed and the training re-arranged.

JD advised that the Union had now seen the proposed ten year lease for the Waterfront.

IG wondered as to the possibility they had expressed at a previous meeting of buying the Waterfront.

TCu advised that this would be beyond the capacity of the Union's reserves and would not prevent the danger of the loss of the music licence if the area was subject to intensive residential development: TCu advised it would be better to sit on the lease.

LC advised the exercise on strategy for Union activities had been completed.

There were no further comments.

Performance

TB826 Chief of Staff Report

JD drew attention to the written report. JD highlighted or updated:

- The University had originally intended to raise accommodation rents by 3% but had realised they had not consulted with the Union; after reflection, the University had cut the increase to 2%
- The University's Executive Team would be working with University Council on researching student finance; this represented a big opportunity for the Union to lobby via its representatives and push forward the student value for money agenda
- It was looking like students' unions' lobbying of the OfS had been relatively successful and that there would be some commitment to student engagement and representation rather than the pure consumer model that it had first been pursuing
- Obtaining the dedicated money for PGR mental health had been a great success for the Union as it had one of the thirty successful applicants out of a field of seventy; this would be a two year project with direct mental health interventions

IG asked as to the scale of rises in students' accommodation costs.

JD advised that, over the previous five years, University rents had risen above inflation and had had a significant detrimental effect on students' finances.

MC noted that, as a result of the Student Leadership Review, a number of sub-committees of SOC had been created; MC noted that the current year was their first in operation and wondered who had been monitoring their workings and how effective the committees had been: it would be important to know whether people went to the meetings and whether the meetings actually worked.

JD advised that a review would be a matter for SOC but that the assumption had been that the sub-committees would review their own workings at the end of the academic year. JD reported that attendance and effectiveness of the sub-committees appeared to vary: with the Education Sub-Committee performing well and others not so.

LC advised that the Education and Engagement Department would be reviewing staff support for each of the sub-committees.

CB noted, as Chair of SOC, that a review would be a SOC agenda item, in the near future.

There were no further comments.

TB827 Key Performance Indicators and Strategic Operating Plan

JD advised, as to compilation of the figures, there had been a change as Union's Annual Student Survey had been moved from around Christmas to May. JD noted the problems with gathering self-declarations via the website but that, with planned changes, this would be fixed.

JD reported that the equality and diversity statistics in permanent staff were encouraging but that there was an issue with the BAME proportion of student staff. JD reported that managed thought they had made progress but it appeared the Union had slipped back: JD believed the figures might be a blip due to timing at the end of contracts or represent a retention issue; whatever the reason, they were a cause for concern.

MK wondered whether there were any national SU statistics available to provide a comparison.

JD advised that the only statistics generally available were for SU permanent staff: UEASU was one of the few SU's to provide figures for student staff. JD noted they would endeavour to get some figures to benchmark against. **AP**

There were no further comments.

TB828 Impact and Benchmarking

JD advised that there was an important difference between a SU proving it was busy and proving it had an impact on transforming the lives of its members and it was crucial that the Union demonstrated sustained progress in the latter.

JD advised, as to benchmarking, for some areas such as ENTS there were few direct SU comparators but it might be worthwhile to look at music or Club providers.

JD proposed a benchmarking by department spread throughout the Board cycle with a direct comparison with nine, core, campus-based SUs with the process to commence at the June Board.

JD noted the Appendix on HE Metrics with the headline figure of 13% for staff turnover and that it was envisaged that this could be broken down into a percentage for departments.

There were no comments.

The Board formally adopted the Strategic Approach to Benchmarking with its commencement at June Board.

Commercial and Trading

TB829 Development and Oversight Boards

The Board noted the minutes of the DOBs without comment.

TB830 Social Enterprise Report

TCu drew attention to the written report.

TCu highlighted the following staff changes:

- The resignation of Mike Kill, Assistant Director (management would be in talks with Mr Kill about the exit terms)
- The departure of Paul Ingleby, the long-serving Events Coordinator, who would be leaving to join VMS

TCu noted that it was looking extremely likely there would be some restrictions as to certain types of gigs that were judged to be unsuitable for a campus environment.

TCU reported a downturn in takings from daytime catering and the Shop due to the lecturers' strike and, also, the severe weather.

TCu advised that the Union was down in performance and this dip was situated in ENTS where the figures were £108K down against budget; TCu cautioned that the real figure was even worse as the changes to the VMS deal had meant a considerable cost reduction. TCu noted that some big gigs had gone badly: such as the Status Quo acoustic show which previously had been profitable. TCu noted that some Student Club Nights had not worked well. TCu identified the problem area as being that Mr Kill had set an optimistic budget and then not been present to implement it.

TCu reported:

- Marketing performance had been hit by key staff leaving
- Unio earnings had been impacted by the Meal Deal

TCu advised, as to the Shop performance, that this had been affected by two factors: the increase in the value ranges had led to lower margins and the bankruptcy of a major supplier had had a negative impact.

TCu advised that management would need clarity from the Board as to where it wanted the balance to rest in the relative weightings of value for money as against revenue. TCu noted that the new Spar basic value range and rotating brand discounts would be coming online and these would be reported to the June Board.

TCu advised, as to future developments in ENTS, that the ending of the VMS contract represented a big saving and that the Union would be developing its working relationship in this area with Manchester SU.

CB asked as to the provision of hot food in the Shop.

TCu reported there was positive news in this area as the improved range on offer in the Bakery had addressed the decline in sales.

SA noted that many students very much enjoyed the Drum and Bass gigs and was concerned their choice would be limited by any future restrictions.

TCu advised that one approach would be to look at smaller gigs in this genre without the more famous 'star' acts; TCu noted that the latter had proved profitable but had led to many problems. TCu stated that the police had made no criticism of the way the Union managed the venue but they and the University had serious concerns about the clientele that were attracted to this type of music. TCu advised that the goal would be to find the right balance in the development of a diverse music programme.

MC believed there would be serious HR issues to be resolved following the departure of M Kill and wondered as to SMT's plans on how to respond.

TCu advised that a paper would be put to Management Committee with an outline of the interim arrangements. TCu noted that these would include: the Head of Retail taking over management of catering operations and a proposal to advertise for *both* a Head of Venues and an Assistant Director of Social Enterprise. TCu noted that, dependent on the quality of candidates coming forward, there was a possibility that if appropriate appointees could be found, both positions might be filled, if not, only one or none might be.

JD advised that senior positions had been vacant for over six months and that the Union had to do better at responding to this type of situation: in particular, when senior staff were on long-term sick leave. JD advised that the current plan was to undertake a holding operation in Venues until the summer when a stable staffing structure could be put in place.

ES wondered as to what the plans were to fill the gaps in Events necessitated by the decision to cancel certain types of gigs.

TCu advised that the Union would be undertaking its own promotions which entailed a higher level of financial risk but that, for the future, working with Manchester Union would bring greater expertise and help to reduce the risk level. TCu noted that there were opportunities as the Tuesday crowd might be attracted to Student Fridays. TCu noted that the Union would also look to collaborate with Norwich University of the Arts (NUA).

JD advised that the recent financial collapse of the Mercy nightclub group showed the challenges that the local music industry was facing. JD advised that the challenges might provide opportunities for the Union in a fast changing market and management would be closely watching for any emerging trends.

There were no further comments.

TB831 Projects Update

TCu reported that the negotiations on the renewal of the Waterfront lease were near to completion: TCu expected signing in the coming weeks. TCu noted that the lease

would be for ten years with the rent stable for five with the Union taking responsibility for the improvements to the building.

TCu noted that the switchover to Spar as the Shop lead supplier was going as planned.

TCu reported, as to drinks supply, that it appeared that a number of SUs were thinking of leaving the consortium and that management would monitor developments as these might have implications for the Union and might deepen the need for building partnerships with other SUs.

TCu reported, as to the Temps Agency, that management were waiting on the University for an indication as to where they thought it should sit in the staffing structure and what the business model should look like.

There were no comments.

Finance & Legal

TB832 Finance Committee

The Board noted receipt of the minutes.

CK, as Chair of the Committee, noted that the meeting had looked at the third quarter accounts. CK noted that one of the Student Trustee members had attended an investment conference on behalf of the Committee and that the Committee would be considering the question of better use of the cash in hand and that a proposal would, possibly, come to the June Board.

There were no comments.

TB833 Management Accounts

TCa reported that the first period of commercial operations had been just better than budget but that the second quarter was below and this would lead to a shortfall. TCa noted that the initial projection was for £160K shortfall but, as charity operations were £60K better than budget, the total would be somewhere in the region of £100K.

TCa noted that levels of cash being held were as expected and, as noted, Finance Committee would be looking at how these might be better employed.

TCa noted, as to Capex, that spending was short in the previous year by £50K. TCa advised that this sum might be combined with a holiday from rebuilding the reserves of around £50K to cover the shortfall and reach the original forecast.

There were no comments.

TB834 Finance Improvement Plan 17-18

The Board noted the update on the plan without comment.

The Board approved the Financial Improvement Plan updates without comment.

TB835 Road to the Estimates

JD advised that the shaping of the budget was structured as follows: in late spring, Union Council set the headline political budget which would then be worked on during the summer to produce the Detailed Internal Budget (DIB).

JD cautioned that budget allocations might cause more controversy with the membership if there were to be no revenue growth from commercial operations. JD advised that if this were to be the case, the Board might wish to take a cautious approach to spending commitments.

JD noted that, for Social Enterprise, the picture was as follows:

- The Shop: holding steady but with benefits from new partnership to come on stream
- Unio: revenue growth
- Bars: satisfactory
- Events: spending more in an attempt to bring in more customers

JD advised that the headline issues in the near term were:

- If student numbers were to grow as planned by the University there was an expectation that this would generate more custom but this was a false assumption as the key facilities of the Shop and the LCR were, already, running at full capacity
- Increased demand for the Charity services: increase in the number of student opportunity groups, increase in demand for academic advice, housing advice and counselling services associated with a growing culture of 'students as consumers'
- Increase in the legacy pension fund contributions of 5% for the year; this would mean an additional £30K going out of the Union

JD reported the University were undertaking a cost analysis and reduction programme, UEA Align. JD noted that any settlement of the UCU industrial action would mean extra contributions to pensions and less funding for other areas of University activities.

JD concluded by characterising the £100K budget shortfall detailed in the paper as not a particularly 'big deal' but cautioned it might be compounded by knock-on effects stemming from the severe snowfall during term time and the gaps in senior management of Events.

JD noted that staff had been appraised of the situation and it had been depicted as: challenging but not apocalyptic.

IG wondered whether there was any possibility of physically expanding the Shop premises.

TCu noted there was no realistic possibility of expanding the current premises but there was the possibility of opening a smaller retail unit on the other side of campus. TCu also noted that there was the possibility of making structural changes to increase the capacity of the LCR.

MC wondered, if the slowdown in revenue growth in commercial operations were to prove a longer term problem, whether the £100K shortfall would be met by cuts to services.

JD advised that no decision had been taken but that, initially, money would be found by relaxing the aspiration to rebuild the reserves. JD noted that there would also be discussions with the University as to the Union's long term funding model. JD advised that there would inevitably be some short term contraction of the Union's corporate ambition.

SF believed that savings could be found in cutting the large number of small Societies that only catered for a few members.

JD advised that small Societies did not have any significant budgetary impact but what did cost was building development capacity for societies.

CK noted that the Opportunities Department were building development capacity for all student opportunities groups.

RF wondered whether each new society had a development plan and whether there were special features for smaller societies.

CK noted that, when a new society submitted a constitution for approval, they had to submit a bespoke development plan built around the particular needs and aims of the society.

There were no further comments.

JD drew attention to the emergency paper on the legacy pension scheme, SUSS.

JD noted that the Trustees of the scheme had alerted SUs with liabilities to the scheme to a significant problem that had arisen: *redacted due as matter may be subject to a legal dispute between third parties* JD noted that the issue could be characterised as 'scary' but that would be in the long-term but that there were no immediate ramifications.

TCa reported that the pension scheme Trustees were handling the matter and the Union could do little to influence the situation. TCa noted that the initial financial impact on the Union could be in the region of £250K.

MC wondered as to what timeframe the possible added payments would need to be made.

TCa advised that there would be nothing to pay until 2020 and that possible payments would be over a period of twenty years. TCa noted that Unions with liabilities would press to extend any payment period and would be questioning the assumptions on which the repayments might be based.

IG wondered whether the Union might run its own pension scheme for its employees. TCa advised that this might be one approach but that the matter under discussion was a legacy pension scheme which was closed and no longer open to employees but for which the Union had historic liabilities.

There were no further comments.

The Board noted receipt of the emergency paper.

K Watchorn joined the meeting and was welcomed to the Board by the Chair.

Strategy

TB836 Strategy Revision 18/19 (Steering): Env Analysis and Lessons from Scandi

JD reminded Trustees that the Union, unlike many SUs, did not have a rigid, fixed five year plan but had a rolling three year strategy that could be changed at any point; JD noted that the aspiration was that the Union's strategy would be nimble and could react to events in a timely fashion.

JD advised that part of the Board's remit was to scan the horizon to identify possible threats and opportunities and to develop a corporate anticipatory competence. JD noted that as part of the process the Board undertook a PESTLE exercise.

Trustees used flipcharts to discuss and evaluate risk and opportunity as they undertook the PESTLE exercise.

JD presented to Board a slideshow of the results from the Study Trip to Scandinavian Students' Unions undertaken by JD and two Officer Trustees: CK and JR.

JD advised as to conclusions drawn from the study trip that lessons on good practice could be learnt across all Union departments. JD highlighted: the more coherent model for handling members who needed advice and the use of Ombudspeople for informal and formal resolution of complaints.

JD advised that the Union had the resources but did not adequately support Part Time Officers and members wishing to get involved; JD noted that this area for improvement would be researched and proposals brought to the June Board.

There were no comments.

TB837 AHRC Sub-Committee Minutes

The Board noted the AHRC minutes of the without comment.

TB838 Enabling Strategy (Approval): Social Enterprise

The Board noted and approved the strategy without comment.

TB839 Enabling Strategy (Approval): Marketing, Communications and Relationships

The Board noted and approved the strategy without comment.

TB840 Enabling Strategy (Approval): ITC and Web

The Board noted and approved the strategy without comment.

Risk

TB841 Risk Register

TCu noted that the departure of a member of staff in the ENTs team had been added as an item to the Register.

MC asked that support for student leaders should be added to the Governance and Legal section.

TCu advised this would be added as a category number seven in this section. **AP**

There were no further comments.

TB842 GDPR

JD reported that the GDPR audit was underway with the Union working in close collaboration with the University. JD noted confidence that the Union was on course to be compliant but noted there was some doubt as to whether the University would be compliant in time and this might have a knock on effect on the Union.

There were no comments.

Closed

TB843 CoS Line Management/Senior Postholder Pay

Staff left the meeting. Chair will minute this item and circulate to Trustees.

Sundries

TB844 Key Decisions of Union Council

The Board noted the Key Decisions of Council without comment.

TB845 Any Other Business

There was none.

TB846 Time, date and place of next meeting

19 June 2017, venue and time to be confirmed.

TB 847 Ongoing Cycle of Business

Noted without comment.

TB 848 Meeting Self Evaluation

Noted during closed session.