

University of Derby Students' Union

Trustee Board Summary Sheet

Agenda Reference:	TB/2020/
Title of Report:	Minutes of the last meeting – 03.11.2020
Written By:	Sally Cunningham – HR & Admin Manager
Presented By:	Chris Hughes, Chair
Action Requested:	Approval

Trustee Board Meeting

Tuesday 3rd November 2020 – 5 p.m. Via Microsoft Teams

IN ATTENDANCE:

Chris Hughes (CH) Chair

Trustee Board:

Joel Boulter (JB) Student Trustee
Helen Roberts (HR) External Trustee
Michael Spencer (MS) External Trustee
Nicola Hartley (NH) External Trustee
Tony Atherton (TA) External Trustee

Officer Trustees:

Corey Beck (CB) President
Josh Williams (JW) VP Activities
Nina Cupric (NC) VP Education
Emily Lane (EL) VP Welfare

Union of Students:

Vicky Hossack (VH) Chief Executive
Martin Beaumont (MB) Head of Operations
Suzy Stevenson (SS) Head of Membership
Steve Taylor (ST) Finance Manager
Sally Cunningham HR & Admin Manager (Minutes)

APOLOGIES:

None

Absent:

No one

1. Welcome and Apologies - CH

Chair welcomed all to this meeting. Duly noting we are a Company Limited by Guarantee and a Charity.

2. To approve the minutes of the Board Meeting held on 27.07.20

TB/2020/037

Minutes from the last meeting **agreed** as a true and accurate record.

3. Matters arising from: 27.07.20

- **To review and design how to develop the pay scales going forward** – work has started with VH, NH and SC to look at presenting some options on tweaking our pay scales to Finance & HR Sub Committee meeting later this month for a discussion – **Ongoing**.
- **Furlough Plans – to revisit staffing levels to support the new Officer Trustee team for 2020/21, to consider full-time staff support – Complete.**
- **To update on student intake post Clearing – Complete.**
- **To email a copy of Student Trends Report to Trustee Board** – an update is on the agenda for discussion today.

Change of agenda item prior to Budget 2020-2021:

8. Finance Update – (September) – ST

Verbal update

The accounts are in draft due to the budget reforecast and statutory Audit both taking precedence. Broadly we are performing in line with our original budget (£89k annual deficit) which forecast a £3k favourable bottom line to September. The £13k surplus is probably slightly ahead on the current report, as we have got outstanding purchase orders, from last year, when Covid-19 closed campus, to review with managers. Generally, areas are performing more or less in line with where we expected to be.

The footfall on site is the key factor having effect on our commercial areas - as we would have expected given the current circumstances. We are looking very closely at our costs and expenses to make sure they are tightly controlled.

The balance sheet remains strong, and we have no serious concerns. We have got deferred VAT payments due later in the year, but this is not significant (£16k) and will not materially alter that position. Our cash flow forecast keeps us around a level between £800k and £900k through the year.

Additional comments/clarification/recommendations:

None raised.

The Board duly **note** Finance Update for September

FOR DECISION

4. Budget 2020-2021 – VH

TB/2020/038

Revised Budget, Scenario Planning, Job Support Scheme

In terms of the budget presented as part of the papers, and the narrative with it, we had to reflect a number of changes within that. This is due to the reduced footfall we are seeing on campus as the University moving to a blended learning model with the restriction in numbers of students coming onto site. We have had to make these changes due to our commercial and retail outlets unfortunately to the negative.

Financial Forecast Changes:

Budget – Scenario 1: Current Position:

- Overall predicted deficit of -£140,441
- Main changes
 - Reduced commercial footfall to year end (due to extension of blended learning model). Figures are excluding University contribution.

Area	Original Budget (Margin)	Reforecast (Margin)	Variance (£)	Variance (%)
Venues	£165,744	£52,845	-£112,988	-68.11%
Retail	£119,722	£51,404	-£68,318	-57.06%

- Reduced marketing income from market traders, binding, and contracts -£14,000
- University subsidy for commercial wages included Sept-Dec +£30,439

Scenario 1 – JRS/JSS impact:

- In continuing to access the Job Retention (80% in Nov) and Job Support Scheme (61.47% Dec – Apr) the Union will draw a further **[Redacted]** in financial support.
- This brings new budget total to -£83,613.

Budget – Scenario 2: A better case:

- University subsidy for commercial wages to continue January through to July 2021 **[Redacted]**.
- BUCS competition is cancelled from January +£22,380.
- Endsleigh insurance pays out post Audited Account sign off +£15,727.
- University commits to outdoor event infrastructure which facilitates some new income generation – Currently break even aim.
- Assuming all of above takes effect, this provides a revised forecast position of +£7k by year ending July 2021.

Budget – Scenario 3: A best case:

- If Government asks Universities to close and move to online teaching this may result in us being eligible for ongoing furlough funding at an enhanced rate of 80% salary contribution.
- Closure of commercial outlets Jan-July would result in a positive £88k movement assuming furlough would be available until April 2021.
- No costs incurred for physical activities and events (including sports provision and award events) saving +£54,285.

[£22,380 BUCS, £875 Varsity, £9,500 sports coaching, £18,750 venue hire, £180 staff travel, £1,000 community awards, £1,000 education awards, £600 FE Representation]

- Overall position would be favourable by +£199k, bringing us to a +£59k position at year end.

Recommendation:

- Trustee to approve revised budget deficit of £83,613 (inclusive of JRS and JSS changes).
- A full, revised copy will be issued to Trustees asap.
- A further report on Scenario 2 outcomes (University subsidy, sports competitions and insurance claim) to be made to Board in January.
- A full re-forecast exercise to take place in February alongside draft Budget for 2021-2022.

Additional comments/clarification/recommendations:

- The Endsleigh insurance pay out figure was capped at £50k, they have adjusted this loss to +£15,727, based upon we were claiming financial support through the furlough scheme to offset our labour costs. The settlement offer is purely based on sales and margin lost and the Easter period also affected what they feel our claim could be. Normally we would be a lot quieter during the two weeks at Easter, which is where the claim period fell. We can challenge Endsleigh and have emailed a holding statement saying we will work through their calculations in detail.
- Following the recent Union All Staff Briefing, a number of staff commented on how appreciative they are for what the organisation has done for them through this period and certainly recognising the Boards role in that too. We have continued to top up pay for our staff to 100% despite the challenges we are facing. SMT listen to what staff have to say and take on board any changes that maybe suggested, seemingly they are thankful for the pastoral support the organisation are able to give them.
We have a passionate team of staff who concerned for our students particularly during this situation, they are keen to be as proactive as possible in offering various support measures for the students.
- How we are operating at the moment with both Blends and Keddies open we would only do if there were a continuation of face-to-face teaching. If it were all online as it was March, we would look to close all our commercial services. It does make a difference and is why we are able to receive that subsidy from the University to keep some of those outlets open.
- Our plans are to continue to have Blends open (as a takeaway provision only) and Keddies retail shop open when lockdown begins on Thursday.

The Board duly **approve** Budget changes and recommendation.

Action: VH to document what is agreed today and send Board regular updates on any changes.

5. Annual Trustees Report – VH

TB/2020/039

After meeting with the auditors who talked at length to instruct us to put extra provision and disclosure in the reports for COVID-19 and asked for Trustees to agree on what our position is on our going concern status. Following this the report will have additional financial information following the

closure of the audit and will undergo a design revamp. It will be sent by email for an electronic approval from the Board.

The guidance provided by Price Waterhouse Cooper (PwC) has been shared to all organisations in response to COVID-19, anyone with financial statements not yet issued should state the impact of COVID-19 on assets, liabilities or losses incurred or gain (as in our case, certainly for the last financial year). There are four different scenarios on how that can be treated, the Board do need to agree which scenario appropriately affects the Unions position, a statement will then be drafted and shared as part of our annual report:

Going Concern:

- Organisations with financial statements not yet issued should consider the impact of COVID-19 on the measurement of assets and liabilities, the recognition of gains and losses, the potential impact on going concern and the related disclosures.
- PwC expect that entities will disclose information about the impact of COVID-19 in the financial statements. The detail and location of such disclosure should depend on the extent to which the entity is affected.
- PwC propose 4 different scenarios as to how to treat COVID-19 in published accounts.

Scenario 1: Going concern with material uncertainties:

- There are material uncertainties related to events or conditions (the consequences of Covid-19) that may cast significant doubt upon the entity's ability to continue as a going concern. The consequences of COVID-19 might combine with other events or conditions to create a material uncertainty.

Scenario 2: Going concern without material uncertainties:

- The Impact of COVID-19 on future performance and therefore on the measurement of some assets and liabilities or on liquidity might be significant and might therefore require disclosure in the financial statements, but management has determined that they do not create a material uncertainty that casts significant doubt upon the entity's ability to continue as a going concern.

Scenario 3: Going concern without material uncertainties:

- COVID-19 is not expected to have a significant impact on the entity. Management has determined that there is no material uncertainty that casts doubt on the entity's ability to continue as a going concern. It expects that COVID-19 might have some impact, though not significant, for example, in relation to expected future performance, or the effects on some asset valuations.

Scenario 4: Non-going concern:

- The going concern basis of preparation is no longer appropriate. Management intends to liquidate the entity, cease trading or has no realistic alternative but to do so.

Additional comments/clarification/recommendations:

- Scenario 1 or 2 appear to apply to the Union:
Scenario 1 - certainly in a sense if we are going to lose upwards of around £80k this year, it does seem to reflect a material impact in year, which would lend us more towards this scenario.
Or,
Scenario 2 - we feel our reserves position puts the Union in a stronger position and a firmer stance than perhaps scenario 2, which is that it does not have those material impacts. It is the difference of how significant our predicted £90k loss this year will have on our overall financial position.
- Scenario 2 - there are uncertainties but having seen the information in agenda item 4, if we are not able to continue, we are going to receive more support, so the figures essentially will improve. With our cash in the bank for the current year (which is what we are looking for in going concern), there is not a concern that the Union will be here this time next year therefore scenario 2 appears more comfortable for the Union.
- Scenario 2 - we do have significant reserves and a strong position and with the Government and University support given certain scenarios that may take place, the Union have enough control on the business to ensure that we moderate our costs going forward scenario 2 is favourable.

The Board duly **approve** Annual Trustees Report and **approve** the Union adhere to Scenario 2

Action: To promote the Annual Report incorporating scenario 2 following final approval at the full Board meeting in January 2021.

FOR DISCUSSION

6. Student Insight Covid-19 – NC & Union Advice

TB/2020/040

The situation has been challenging for students, especially with the latest Government guidelines where no non-essential travel is permitted with students not allowed home. The report presented today shows our trends reporting for over the summer and a newer trends report, however we are mindful of the situation progressing rapidly.

Additional comments/clarification/recommendations:

- The main student impact is their struggle with isolation, because of this people want to come on campus more, but there are others who prefer to remain off campus as they do not feel safe.
- It is challenging to navigate and decide what is the best outcome for students as there is no definitive student voice at this time, and is reflected in the College Forums held with the University seeing contradictory issues where a group may have no problem with a particular situation/issue yet is the opposite for another group.
- The general consensus is students are unhappy with virtual learning, there is a good appetite for being on campus, for example we are constantly being asked for more library time.
- A key point to take note of is the student wellbeing, for example first year students are feeling it the most for example they are in Halls with people who they have not had the opportunity to meet in a more social environment such as the social interaction following a lecture -

although there are some Societies are running online social events to support wellbeing and feelings of loneliness.

- There is a huge concern for the start of the Christmas break and whether students will be allowed to return home.
- Since the report was created (and in a positive) the demand for Society membership has already increased to 1,000+ members, compared to the same period last year we are up, despite the offer of in-person not being there, our Society membership is on the increase.
- We have had more Academics approaching the Union to assist in supporting students with cohort identity and delivering social sessions outside of the curriculum, when in a standard year it would be the other way round.
- We attend Academic Task Group, chaired by the PVC Dean for Arts Humanities and Education, who also has a remit for the Student Experience Team and Deputy Deans for each College are in attendance. Questions put to the Union such as what the Union needs and what else can we offer to students.
- The Union Representative and associated voice structure has proven to be the best way to measure the quality of learning to date.
- The Pulse Survey is an attempt to measure the quality of teaching.
- The Union undergo surveys to gauge a wider picture of online teaching.

The Board *receive* Student Insight Covid-19 report.

FOR NOTING

7. Commercial Services Report – MB

TB/2020/041

The main highlight is the success of the Freshers Village. The feedback from students, the University and Union staff was overwhelming. It was a tough week, and thanks go to everyone who was involved. We worked closely with Derby Environment Health on a daily basis to ensure the safety for all was paramount in enabling the events to take place.

Sales continue to be disappointing, the decision from the University to continue with blended learning for the remainder of the academic year will have a significant impact on our original budgeted estimates.

The University still intends to retain food choice on campus, yet we have seen footfall reduce to levels of around 70%/75% compared to a normal year. We are seeing the impact of that quite heavily particularly Blends sales. For example, Starbucks closed for 2 weeks having technical issues, we saw our sales in Blends rise by 30%.

In terms of staffing we are currently running on a skeleton team, with no student staff recruited within the commercial operation. Our priority is to secure University funding to be in place from January, the reality for the Union is taking a tougher stance in negotiating with the University in delivering additional outdoor events throughout the remainder of the academic year.

Additional comments/clarification/recommendations:

- The University are extremely unsatisfied with Aramark's approach in this period and there are significant opportunities for us to grow and compete for the main catering contract once that comes up in 12-18 months' time, should the Union wish to.

- We should consider ring fencing any capital requirements for investing if opportunities exist if other providers are not providing the service.

The Board commend MB and the commercial team for the innovation leading to the success of the Freshers Village and the news article showcasing some of the Unions preparatory work involved.

The Board duly **note** Commercial Services Report

9. CEO Report – VH

TB/2020/042

It has been a busy time in terms of the focus on the employment and employee changes for the job scheme and the budgets and finance. We are continuing to look forward and working towards our current strategic plan which ends at the of the next academic year. By working backwards, we need to look ahead and start the field work and research to underpin the next strategic plan for this time next year. Work will begin post January 2021, to look at how that market research will begin to take shape and whether we need to bring in someone external to support us. Despite everything going on and reacting to changes on a daily basis we are also starting to look farther forward.

In terms of benchmarking against other Unions, at the last National CEO meeting out of 40 Unions 38 are forecasting a deficit position for this year. The two that were not, one is having there £150K loss underwritten by the University, the other who run no commercial services and just reliant on their block grant also are not predicting any loss. We are certainly meeting the trend in terms of the situation we are dealing with in relation to our budget, and that we share many things in common.

VH took this opportunity to offer her thanks to the Unions SMT team and Officers for their support through this period. The Officers particularly are doing an amazing job representing students in all manner of University meetings, and as we have already discussed it is not easy because there is not a consensus of opinion with students feeling very differently through this period about their experience and the quality of teaching they are getting.

Additional comments/clarification/recommendations:

None raised.

The Board duly **receive** CEO Report.

10. Officer Scrutiny Reports – All Officers

TB/2020/043

The constant changes has played a major factor in since the report was written by all Officers.

CB (President) - a big concern remains in terms of student wellbeing and loneliness, we have responded by creating a live chat that offers students an alternative way to contact our Advice service enabling immediate support and guidance for less complex issues or concerns. The Officers are coordinating a live chat that will feature messages to share best practice and signposting where to get support, the mini site will be constantly updated with live anecdotal pieces of information, aiming to gain a connectivity with students. Resources will be sent to those students who are isolating, to compensate for not being there in person for them.

TA left the meeting at 6:20 pm - adding he is proud of what the Union is doing and how we work it by handling it as a team. If he can be of service outside of these meetings, to please get in contact.

NC (VP Education) – we have used some functionalities of Teams to create some live trackers for feedback that our Course Reps and Part Time Officers can utilise to log feedback that we can update as it happens. This was off the back of Birmingham City Union it is a useful tool where all Officer Trustees can work together to solve common issues.

EL (VP Welfare) - has concerns for students over the Christmas break, when the Union and University close for this period and into the New Year. Currently working with the Marketing team to look at facilitating activities for students that will occupy them over this time for example, crafts and baking. In terms of Black History month in October we collaborated with 10+ Unions to look at several online events for example hosting a panel discussion from Royal Holloway Students' Union on the Black Live Matter Movement, a similar format will be rolled out for Disabilities History month. This is a positive way for students having the opportunity to connect with peers from other Unions.

JW (VP Activities) - current changes see all Sport return to play plans cease. An online offer will be rolled out constantly adapting to what will be permitted. A virtual community for our Society members has been created reaching 1,000+, with 140 active students running those societies, which is fantastic to see, particularly as our students seamlessly adapt to the current situation. Hopefully, we will see a return to our formal offer of Sports in terms of BUCS - certainly student demand is there.

Additional comments/clarification/recommendations:

- There is a University loan scheme in place, for any students who do not have appropriate hardware or support with Wifi connection.

The Board duly *receive* Officer Scrutiny Reports

11. KPI Q1 Update – SS

Tabled

Our KPI's are as relevant now as they were prior to COVID-19, as the theme we have seen from our Officers, there is still an opportunity for the Union in everything we have been doing. The digital outreach to students has been significant, overriding that shift of the University from learning over to Teams. This has provided the Union with a multitude of different ways to keep in contact with students. There will be some tweaks to make in terms of KPI's, nevertheless we can still deliver what we have set out to do.

Additional comments/clarification/recommendations:

- The type of cases are relatively consistent on a normal year our biggest issues are academic offences or requests for deadlines. This period includes July and August, where students receive their assessment results which was during the period of lockdown, this is when the appeals were going through, considering the unique way students were assessed this year. The second highest case would be housing, where students wish to leave contracts early or enter into flexible contracts as they were aware lockdown may or may not continue.

- Over the last few weeks (not reflected within the trends report), cases are over about Covid-19 adjustments, where students have requested to study remotely because they do not want to be on campus. With those requests to study online, they have been rejected by the University on the grounds that it does not hit any of the agreed criteria.
- University have reported since the Government's latest announcement they have seen 150+ requests to study remotely.
- Our Advice team are approx. 10% up on cases, with the University's Wellbeing team are feeling the workload as this has come simultaneously with cuts to their budgets and ability to deliver.

12. Any Other Business - CH

Chair congratulated the Union as a whole doing an incredible job facing the current climate, encouraging the team to reach out to Trustees for support.

Reminder:

Finance & HR Sub Committee - Friday 20th November – 10 am – Microsoft Teams

Audit & Risk Sub Committee – Friday 4th December 2020 – 10 am – Microsoft Teams

No requests for a closed session. Meeting ended at 6:45pm.

Date of next meeting – Monday 25th January 2021* 5-7 pm - Microsoft Teams.

**Please note this has been brought forward by 1 day due to a clash with University Governing Council*

Trustee Board Meeting Action Summary 03.11.2020

No	ACTION	ACTION OWNER	DUE DATE	STATUS OF THIS ACTION
1.	Budget 2020-2021 - to document what is agreed today and send Board and regularly update on any changes.	VH		
2.	To promote the Annual Report incorporating scenario 2 following final approval at the full Board meeting in January 2021.	VH		

✓ COMPLETED OVERDUE OUTSTANDING ONGOING