

University of Derby Students' Union
Trustee Board Summary Sheet

Agenda Reference:	TB/2022/009
Title of Report:	Minutes of the last meeting – 24.01.2022
Written By:	Sally Cunningham – HR & Admin Manager
Presented By:	Chris Hughes, Chair
Action Requested:	Approval

Trustee Board Meeting
Monday 24th January 2022 - 5 p.m. Via Microsoft Teams

IN ATTENDANCE:

Chris Hughes (CH)

Chair

Trustee Board:

Joseph Webster (JW)

Student Trustee

Nicola Hartley (NH)

External Trustee

Michael Spencer

External Trustee

Officer Trustees:

Beth Baxtrem (BB)

VP Activities

Nina Cupric (NC)

VP Education

Owen Marques (OM)

VP Welfare

Present:

Jane Marshall (JM)

Partner at BHP Chartered Accountants

Union of Students:

Colina Wright (CW)

Incoming Chief Executive Officer

Martin Beaumont (MB)

Head of Operations

Suzy Stevenson (SS)

Head of Membership

Steve Taylor (ST)

Finance Manager

Heather Gunn (HG)

Marketing, Brand and Partnerships Manager

Sally Cunningham

HR & Admin Manager (Minutes)

APOLOGIES:

Matthew LeDoux-Deakin

Student Trustee

Tony Atherton

External Trustee

Absent:

No one

1. Welcome and Apologies - CH

Chair welcomed all to this meeting and, a particular welcome to CW our incoming CEO who officially takes up the post of CEO on 14th February 2022.

Duly noting we are a Company Limited by Guarantee and a Charity.

Apologies/absentees are noted.

2. To approve the minutes of the Board Meeting held on 02.11.2021 - CH

TB/2022/001

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

3. Matters arising from: 02.11.2021 - CH

None arose.

FOR DECISION

4. Annual Accounts 2020-2021 – JM

TB/2022/002

Results Summary:

Overall Position

- Surplus of £160k (2019/20 surplus of £17k)
- A positive movement compared to 2019/20 of £143k

	£000's
Decrease in income	(886)T
Expenditure savings	1,029
	143

Decrease in Income

	£000's
Donations, grants and legacies	186
Charitable activities – Athletic Union	(86)
Clubs and Societies	(125)
Marketing	(56)
Other	(10)
TOTAL Charitable Activities	(277)
Other trading activities – Bars and entertainment	(99)
Catering income	(159)
External events	(50)
Shop income	(501)
TOTAL Trading Activities	(809)
Other income – BII and CJRS	17
Investments	(3)
	(886)

Expenditure Savings

	£000's
Raising funds – Bars and entertainments	(159)
Catering income	(6)
External events	(28)
Shops	(453)
TOTAL Raising funds movement	(646)
Charitable activities – Athletic Union	(188)
Clubs and Societies	(133)
Marketing	(14)
Democracy	32
Other	8
TOTAL Activities movement	(295)
Other expenditure (pension adjustment)	(88)
	(1,029)

Other

-
- **Strong cash position** **£1.11m cash generated £246k**
 - **Fixed assets** **Additions of £42k and depreciation of £37k**
 - **SUSS pension creditor** **£258k**

Free reserves – target level £651k

	£000's
Unrestricted funds	737
Less fixed assets	(96)
Add pension creditor	258
Free reserves	899

Summary from Audit Findings Report,

Key audit risks

BHP have satisfactorily concluded on all of the risks.

Internal controls

All bar one of the points from the prior year has now cleared down. The rolling stock system has been delayed due to covid but is due to being resolved this year. Having noted these, the control systems show a very good result.

Surplus reconciliation

The position has been improved by making two adjustments; the spend on the catering trailer and the marquee both funded by the University and, had been written to an expense because the income had

come into the income and expenditure account. This has been corrected with those assets lasting for a period of time, with BHP providing the depreciation, which has improved the position.

Unadjusted misstatements

These are not considered material; but some income from the University has been deferred into next year, which did not need to be. And, because of this BHP does not require the union to adjust the £18k.

Qualitative aspects

BHP has not encountered any difficulties during the course of the audit.

Outstanding matters

Confirmation of Post Balance Sheet Events will be agreed upon between JM and ST at sign off.

Letter of representation

The Board can confirm they are not aware of any other related parties' transactions that have not been disclosed in the accounts.

Additional comments/clarification/recommendations:

- Probably one of the cleanest audit reports presented, thanks are given to ST and his team.
- To address the LoR with Dear Trustees.
- In terms of the Inland Revenue charging VAT this still awaits an outcome, it is wise for the Union to still maintain that provision.

The Board duly **approve** Annual Accounts 2020-2021.

JM left the meeting at 5:30 pm

5. December 2021 Accounts – ST

Tabled

Summary: Operating results

Income summary 5 Months to 31 Dec. 2021

	Budget £000s	Actual £000s	Variance £000s
Grant + JRS	400.5	386.7	(13.8)
Core/Support	120.5	120.3	(0.2)
Venues	191.4	197.7	6.3
Retail	365.2	269.4	(95.8)
TOTAL	1,077.6	974.1	(103.5)

Net Surplus/(Deficit) 5 Months to 31 Dec. 2021

	Budget £000s	Actual £000s	Variance £000s
Core/Support	(46.8)	12.9	59.7
Venues	24.2	33.5	9.3
Retail	32.2	28.5	(3.7)
TOTAL	9.6	74.6	65.0

Key variances to operating budget

Marketing – Media income favourable £5k. Salary savings £4.7k.

Overheads – Strat Plan payments to date saving v. budget £9.5k (timing £5k, saving £4k) - CJRS income £3.4k adverse, greater staff requirement Freshers.

HRA - £7.8k CEO recruitment costs, not budgeted. Staff development underspend £5k.

Societies - Salary savings £8.6k, US Fund fav. £6.6k likely timing only.

Welfare - Salary savings £2.9k.

Democracy – Salaries & Wages savings £18.3k, Conference fav £3.2k timing only, PAL income £5k carry forward (prior year) not budgeted.

Activities – Membership income adverse £5.2k, Nuffield to handover with new provider Everyone Active in new year (tbc), transport adverse £3.3k (trend likely continuing), favourable kit costs £8k timing only, as budget will need to be spent.

Commercials –

Academy – Univ. funding fav. £12k Freshers, cost wages/equipment £7.5k.

Blends – Salaries fav. £7.7k, Wages adverse £4k. University catering extended subsidy £4k (Aug).

Friargate – Turnover driven margin deficit £4.3k (after subsidy), Salaries/wages adverse. £11k. University catering extended subsidy £4k.

Events – Net favourable. £16.8k Freshers.

Trailer – Turnover driven margin deficit £5k Salaries/wages favourable. £7.9k.

Keddies – Turnover driven adverse volume variance £29.6k, favourable (39.3 v 33.2) % margin variance £13.4k . University catering extended subsidy £6k. Wastage fav. £3.8k.

Street – Turnover driven adverse volume variance £4.3k.

Balance Sheet

Cash - Bank position shows a positive movement by £197k during the period to £1.3m bank balance, drivers being mainly an increase in creditors (£140k), plus the up-front University project funding for year of £101k, net income and increased Freshers activity.

Trade Debtors – Balance at £9.2k, UoD balance £5.4k.

Other Debtors – Mainly prepayments – NUS affiliation fees £12.6k, Keddies rent (2 months) £5.6k, University 60% contribution Sports Centre 2020/21 £2.8k, and 21/22 £12.3k, MSL Licence £4.8k, Endsleigh Insurance £18.5k. Innov8 computer software hosting £4.6k.

Trade Creditors – Balance £117.8k, UoD balance £13.5k.

Other Creditors –

Accrued costs – holiday pay £14.2k, ‘hoodies’ income £8.5k, Project income (incl PAL) £68k, audit £5.8k, PO commitment £20k, VAT creditor £9.7k, Suspense (misc. receipts) £5.8k, car park permits £1.9k.

Preferential creditors – PAYE/NIC/Pension £19.4k.

Other creditors - VAT catering challenge provision £42.6k.

Additional comments/clarification/recommendations:

- We have driven our retail salary figure down to try and gain some additional savings by not immediately recruiting to replace a permanent staff member.
- We have applied price increases in Blends in January to accommodate the NMW and NLW hourly wage increases.

The Board duly **approve** December 2021 Accounts.

6. Reforecast - ST

TB/2022/004

Additional comments/clarification/recommendations:

- We have confidence in the accuracy of the figures. The main impact is how Base Camp launches in terms of the refurbishments and financial performances.
- Footfall plays an important part, we are hopeful this will improve as time goes on and more students and staff return onsite rather than the current way of teaching that is remote. Students have certainly voiced concerns in terms of remote teaching, the majority prefer to be on site.

- In terms the Block Grant application, there are still some unknowns in terms of how teaching will be and the effect on footfall for both students and staff. We know the University's policy towards the staff returning on-site that is having a significant impact that will need to be taken into consideration in terms of our figures.
- The University will consider student recruitment numbers, and this will be something the Union has not encountered in previous years. We have seen a consistent uplift in the Block Grant over the last three years and we may be reminded of this for the academic year 2022/2023.

The Board duly **approve** Reforecast.

7. Budget 2022/23 Timetable - ST

TB/2022/005

Additional comments/clarification/recommendations

- None raised

The Board duly **approve** Budget 2022/23 Timetable.

8. Epos System Proposal – MB

TB/2022/006

Fidelity

We need to invest in replacing a large number of our tills that are now obsolete and now is the right time to start looking at updating the Epos system so we will be able to resolve the long-term issues - to some degree Fidelity is unwilling to achieve.

Tevalis

A top-level company. The main expenditure comes through the loyalty side at £17k per annum, financial projections would still need to be determined. Considering the current environment in terms of strategic changes to departments, recruitment, and looking ahead financially at further potential challenges we may see - committing to this system does not appear viable at this time.

Kappture

This company has an immense appetite to work with Student Unions and has evidenced to show that they can do what the Union needs them to do. One of the key processes to start would be SAGE integration in allowing our systems to communicate with each, other replacing the large amount of manual work that is required. This would allow us push operations and resources towards important commercial areas other than data inputting.

The Board is asked to consider and recommend one of the two options put forward:

Option 1

Small investment – remain with our current provider Fidelity Systems Ltd, investing in hardware to keep systems up to date, with no advancement in software or operational delivery.

Option 2

High investment – migrate systems to a new provider, refreshing all hardware and software to meet the Union's identified requirements.

Additional comments/clarification/recommendations

- Whilst people try and look at a return on the capital in other areas, the Union is already at a place where the systems are antiquated, with the current demand for a partner to effectively get to where the strategy needs to be.
- Hospitality is the main area over retail which is where Fidelity is failing with the Union, they cannot manage product mixes, this is the reason stock takes and orders are completed manually.
- It is fundamental to remove this audit point, similarly, there is the expectation from the University, who has already invested in the Oracle system.

The Board duly **approve** Option 2.

ADDITION ITEM FOR DECISION:

Additional refurbishment costs for the new Base Camp venue - MB

University Estates have requested additional costs to be met by the Union. The project has been prioritised to complete within the timescale, with the projected costs finalised last week.

This brought forward many of the changes that have been made throughout the project at the request of MB, that has allowed for the maximum use of the space adding value that will enhance the student experience, these being listed below,

- Additional doors to the outside area to prevent a draught.
- Relocate a heating fan to a higher level.
- New condiment counter to extend the service area.
- Repairs to the decking area and anti-slip paint.
- Additional 15 power supplies - situated beneath the floor/furniture.
- Decoration to some walls that were going to be left blank – wallpaper and paint.
- Additional cushions, plants both real and artificial.
- Additional power and data for digital menu screens.
- Rather than reupholstering the old sofas replace them with new ones.

The estimated additional cost is between £15k - £18k. That takes the total expenditure to an estimated £32k to £33k that is kept below the agreed maximum spend of £50k.

Additional comments/clarification/recommendations

- Initial response from the Chair is - as a Board we agreed to the initial £100k, with a £50k ceiling on any further costs. These additional improvements will enhance the student experience.
- The provisional handover date is Friday 4th February, with the aim to fully open on Monday 28th February. Board members are duly invited to attend the evening VIP launch event on Friday 25th February.

The Board duly **approve** additional refurbishment costs working within the approved £50k excess for the Base Camp venue.

FOR NOTING

9. KPI Update - SS

Tabled

Summary for Quarter 2 – 2021/22

Last year we launched the online Voice Portal for our student representatives to gather feedback. Already we have over 100 pieces of additional feedback from fewer reps than last year- while the numbers are not there the engagement is higher. The focus for the next quarter will be on recruitment in this area.

Our Ideas Forum is gaining momentum, the College Student Voice Forums continue to be useful for the university albeit we engage with eight students, this is more than last year.

The Advice Service is well on track, with an increase in student ratings and appointment availability rising owing to increased staffing, by having two Information and Advice Assistants who have been trained to support the advice team.

The communications strategy is on track coming under the marketing team, and for the first time, we have plans across all membership engagement areas, beginning with a new intern for our societies social media platform.

Thursday Thoughts that started during Covid is a weekly student survey through Instagram to test student attitudes towards key topics that are happening and is very popular amongst students.

Additional comments/clarification/recommendations:

- In terms of advice appointments, this is one of our services that has not been affected by Covid, during the pandemic the demand increased. Concerns from students were around issues such as difficulties in studying from home and requiring extended deadlines.
- Our advice service is the one area that has remained digital; hence we are meeting the preference from students to continue in this way.

The full KPI dashboard will be emailed to Board members alongside the minutes.

The Board duly **note** KPI Update.

JW left the meeting at 6:15 pm.

10. Officer Updates – All Officers

TB/2022/008

Main highlights from Officer Scrutiny Reports:

NC – VP Education

Has worked with an Associate Professor at the university on a paper on Education for Sustainable Development. This is a key part of the upcoming learning and teaching framework; essentially what teaching will look like for the next five years.

BB – VP Activities

Picking up the suggestions made by students particularly around committee recruitment, ensuring all sports teams feel well equipped and prepared for the return to competitive sport. Very proud of the work of the Sports Council who have invested themselves this semester in doing research around sport and gained the second highest-voted idea on our Ideas Forum.

The councils are finally collaborating, feeling ambitious about Societies Council who will thrive this semester.

Working closely with HUMEN, a men’s mental health charity that runs virtual safe spaces for men to talk, listen and connect on a regular basis. We are currently promoting the sessions HUMEN runs online, however, in the future, we hope to run sessions right here at the University. This would require recruiting a student volunteer to facilitate these sessions.

Joined the street pastors on a student safety night walk in Derby city centre who dealt with many shocking situations during the course of the evening. This was the first step in working with the Council to introduce a charter in 2022 that intends to award all licensed premises a level on the charter based on safety compliance.

OM – VP Welfare

Student safety is becoming a focal point in terms of events within sports and societies, our priority is to ensure all students are returning home safely. This aligns with the Consent Campaign where students are able to anonymously relay their experiences of sexual misconduct, currently, 18 students have expressed their interest in being a part of this campaign.

Ensures support cards are accessible for all students including at our affiliated clubs, that signpost available support they are able to access many organisations offer 24/7 assistance.

Additional comments/clarification/recommendation

- Nominations have opened and, we have already received a higher number of student nominations for the roles than we did last year – we are optimistic this should translate into a higher number of votes.
- Election 22/23 drop-in sessions are being held, offering guidance for potential candidates.

The Board duly **note** Officer Scrutiny Reports.

14. Any Other Business – CH

None raised.

Meeting ended at 6:30 pm.

Date of next meeting – Tuesday 29th March 2022 – 5 pm – 7 pm - to include setting CEO Objectives – via Microsoft Teams.

Trustee Board Meeting Action Summary 24.01.2022

No	ACTION	ACTION OWNER	DUE DATE	STATUS OF THIS ACTION
1.	MB to complete final Epos proposal and send digitally for final Board approval.	MB	28/02/2022	

COMPLETED **OVERDUE** **OUTSTANDING** **ONGOING**