Minutes of the Board of Trustees Meeting held on Tuesday, 28th June 2016 at 12.30pm in Meeting Room 1 (blue room).

Present:
Josie Linsel (President) (Chair)
Jane Riley (External Trustee) (Deputy Chair)
Lucy Haigh (Campaigns Officer)
Hannah Mason (Media Officer)
Tasmin Salim (Education Officer)
Tom Daly (Activities & Participation Officer)
Marie Wilson (External Trustee)
Jo Scott (External Trustee)
Edd Graham-Hyde (Student Trustee)
Jade Ellis (Student Trustee)

In Attendance:
Pete Shilton Godwin (Chief Executive)
Lynda Stott (Head of Central Services) (part)
Sana Iqbal (President Elect)
Ed Evans (Activities & Participation Officer Elect)
Renaye Roberts-Sinclair (Campaigns Officer Elect)
Doreen Jackson (PA) (minute taker)

Action

BT.0727  Apologies for Absence

There were no apologies for absence.

JL asked the Board to introduce themselves to the incoming SAC officers and explained how Board meetings are run and the purpose of these meetings.

BT.0728  Minutes of the Previous Meetings

The minutes of meeting held on the 17th March 2016 were approved as a true and accurate record.

JE asked if the last meeting was quorate as there were no student Trustees present. JL confirmed that it is a percentage of students present (ie., the SAC officers) not just student Trustees.

BT.0729  Matters Arising

There were no matters arising.

BT.0730  Declaration of Conflict of Interests

PSG explained to the SAC officers that conflicts of interests that should be disclosed are those relating to a financial interest in an organisation with which the Union deals or competes or where there is a potential conflict of loyalty with another organisation.
**Chief Executive’s Report**

The CEO’s report was received and noted.

The following was noted:-

- Peter Hyett, the former Group Director of Finance at UCLan has shown an interest in becoming a Trustee of the Union’s Board and PSG will be moving this forward together with JR, SI and Phoebe Dearden (Chair of Students’ Council).

- JL said that James Edney who sits on the University’s Board could potentially also sit on ours. JR pointed out that this would be a conflict of interest, however, there could be the opportunity for him to sit on our Audit & Risk Committee instead. SI and PSG to look into this.

- JE commented that she was disappointed that the student Trustee recruitment position to replace her had not been appointed and that there had been no discussions with her about this for her input. This was noted.

LH asked if a decision had been made in relation to the patio heaters for the beer garden and pointed out that if we obtain these we will not be awarded our gold impact. PSG said we need to find a way to keep students warm in the beer gardens and still be able to obtain the gold award. The Board agreed that it is a choice to seek to obtain the gold award.

**Summary Management Accounts for period to 31st May 2016**

LS attended the meeting to discuss the Management Accounts and draft Budgets.

**OVERALL RESULTS**

The month of May, at a deficit of £24.7k, is £33k below budget. April was a good month being £18.5k ahead so this is a timing issues which continues to cause peaks and toughs. Essentials being the main offender.

For the Year to date a surplus of £107.7k is a welcome result (£6.5k up on budget) with £98k coming from Trading. Atrium have achieved surpluses of £48.5k against a budget of £5.7k, a strong result. There are outstanding funds from Get in 2 of £16k which will further benefit the bottom line once received.

Sales have matched budget but with a very different product mix. Atrium and 53 Degrees, excellent results, covering short falls in Retail and the Bridge.

**FORECAST**

May forecasts for the July 2016 year end reports a surplus of £100k, £37.7k higher than budget, an excellent result.
**Income** - The Union has won bids for Voting registration and various projects funded by the university and others which have increased our income. Net income had been reduced by the fall in Bridge income, which is the trend for this year.

**Membership Services expenditure** is £57k under budget largely due to the Bridge. Student Engagement is £18k over spent due to increased Wages and Voter registration costs.

Although the **Trading forecast** is below budget by £11k at a £61k surplus this is due to unbudgeted income from 53 Degrees and Atrium trading results totalling £160k. The latter is forecast to achieve a £33k surplus from a breakeven which is an excellent result and off sets challenging results in Retail and Source.

**KPI Reports**

YTD Sales to mid-June have recovered due to a strong April and May and finish down on budget by £22.5k (2%) clawing some back. Atrium is £60k up on budget with a high GP% of 69% (Budget 67%) a star child. Essentials and Source fall short of budget by £74k and £5.8k respectively. Source has recovered from March accounts being £17k behind budget. For the first two weeks of June, sales are up by £10k which is across all departments except of Essentials, £4k down.

**YTD Actual Wages** are high against KPIs being £22k overspent. In the month most departments have stayed within their Wages KPI with the exception of Essentials.

**CAPITAL EXPENDITURE**

Capital Expenditure of £73.8k.

**CASH FLOW**

The **Bank Balance** at £463.5k on 12th June 2016 is £66k higher than last year. The graph shows actual cash levels closely follow last year and end a little higher at £205k due to the receipt of additional grant funding. Costs will be adjusted if income is not achieved. Please see page 13 for the chart.

**MEMBERSHIP SERVICES INCOME**

**YTD MEMBERSHIP INCOME** of £381k is £83k below budget. Bridge income remains low at £227.5k, £88k below budget. Give it a go funding of £16k is overdue.

**Business Development (Intro & Marketing reconfigured)** at £117k are £3.2k ahead of budget with only NUS Extra above budget by £18.7k.

**MEMBERSHIP SERVICES COSTS**

The **YTD spend** of £918k is £72k underspent to budget and most departments have contributed. The Bridge having less income have less wage costs and are £82k under spent at £243.9k. In total the Bridge is £6k down on budget due to low sales and GP% This month's
results have been affected by Holiday pay. Student engagement are overspent by £18k due to total labour costs and **Give it a go.**  
**Business Dev & Marketing** are £3k under spent due to Maternity leave and a salary savings. The Green Ladder is now funded by additional grant.

**CENTRAL SERVICES**
Total YTD spend of £197k is underspent to budget by £7k as most lines are well in budget.

**COMMERCIAL DEVELOPMENT**
The YTD for Trading reports a surplus of £98k, £4k down on budget. YTD Essentials are £21k short although the GP% of 27% is now in line with budget after many peaks and toughts. 53 Degrees at a surplus of £16.5k includes unbudgeted events. Atrium at £37.7k is £31k better than budget and £51k better than last year, a great result. Source at a surplus of £10k is £22k below budget. The print shop losses of £14k are £5k away from budget. The graph below shows the fall in sales against budget with the exception of Source Catering, Atrium & 53 Degrees.

**BT.0733 Draft Summary Budget 2016-2017**

LS gave a brief summary of the draft budget for 2016-17. £20k grant increase. However other income has gone down.

LS said that we will need to negotiate with the University re: the Block Grant going forward. In year 3, current year we need to have a conversation towards the end of the first/second terms. JL said that PSG and SI should be going to the University to raise this.

JL asked if something could be put in the budget for HR support with the possibility of finding someone to support the SAC on HR support as well as PSG. She said they require help with training as well as internal matters. PSG to discuss this with the appropriate person at his 1-1. MW and PSG to discuss further.

The Board were asked to **approve** the draft budgets. They **agreed** subject to a potential increase on the HR budget.

**BT.0734 Draft Communications Strategy**

The draft Comms Strategy had previously been circulated and PSG told the Board that there were minor amendments made to it since the last Board meeting. The Comms team is now in place and working as part of the new Engagement & Support team. JS asked where we were in terms of branding. PSG said it is being looked at but we are not there yet. The priority last month has been getting ready for Freshers and the Welcome Festival. He said Georgie Newstead is now on annual leave and will look at it when she is back, however it will be brought back to the next Board meeting. He said that the activities that we do are clearly branded with the SU brands and as we get examples he will send them to the Board in advance of the next meeting to enable them to see the
progress made. JL said that the University Board haven’t made a
decision yet on their logo branding, however, she will ask if they can let SI know asap.

HM asked whose responsibility it is on the comms. PSG will describe
what he thinks it is based on the responsibilities of the SAC. SI asked
who will sit on the Comms Project Group and who decides who sits on it. PSG said he will get a group together in the summer and will work
out who will sit on this from the SAC but it won’t be all of them. He felt
that the Media Officer should definitely sit on it.

EGH commented that the social media section is a positive step forward
and suggested that the SAC be added into the strategy and speak via
the Union’s twitter rather than their own individual twitter pages. HM to
discuss with KL and JD.

**BT.0735 Union Plan 2016-2020 Implementation Plans and Dashboard**

PSG gave a presentation on the implementation of Union Plan. EGH
asked if there is a process to follow if an objective isn’t completed, ie.,
as to why, etc. PSG agreed and said that the Board will be able to see
progress through the dashboard and the business cycle reviews

PSG confirmed there will be a complete implementation document
available in September with all the themes.

**BT.0736 Union Business Cycle**

The Union Business Cycle was previously circulated. PSG thanked the
SAC for attending their 360s and End of Term of office reviews during
the year and these have now been included into the plan going forward.
It was agreed that the Officer exit interviews should continue but review
how they are done and when. Officer Board induction and recruitment
of Trustees should also be added to the Union business cycle.

**BT.0737 Draft SODA (Statement of Delegated Authority)**

This item wasn’t discussed and it was agreed to bring it back to the next
meeting in September.

**BT.0738 Risk Register Updated May 2016**

The Chief Executive at the instigation of JR had looked at the potential
consequences of a disaffiliation from NUS and the cost associated with
this. The Audit and risk Committee had concluded that there was a very
negative effect on the Union’s operations and affiliation to NUS had
significant non-financial benefits.

**BT.0739 Whistle Blowing Policy**

The Whistle Blowing Policy was previously circulated and a small
discussion took place. JR asked who the Whistle Blowing Officer would
be. PSG said that it will be a senior manager, possibly Lynda Stott who will be given full training for this. The Board approved the policy.

**BT.0740** Chair Executive Officer – Performance management of the CEO by the Board.

MW had written a paper for the Board to set out the responsibilities of the Board in relation to management and support of the CEO. This had been discussed with the CEO. The Board approved the paper and the actions.

**BT.0741** Ratification of the minutes of the HR Committee meeting held on the 23rd May 2016

The minutes of the HR Committee meeting held on the 23rd May 2016 were not available, therefore, they will be ratified at the next meeting.

**BT.0742** Ratification of the minutes of the Audit & Risk Committee meeting held on the 23rd May 2016

The minutes of the A&R Committee meeting held on the 23rd May 2016 were not available, therefore, they will be ratified at the next meeting.

**BT.0743** Any Other Business

JL thanked all the Board of Trustees for their support over the last year and thanked JR and JE for their contributions and wished them all the best for the future.

PSG commented on the EU referendum and said that the outcome will have a direct consequences for the Union. At a practical level the pension scheme has to be valued as at 31st June and could be very negatively affected. Equally interest rates, student numbers and University income could all bear on the health of the Union.

Welcome Festival – it was agreed to encourage students to register to vote during the welcome festival especially if there is to be a general election held in November. EGH suggested adding an event at Welcome Festival for international students.

**BT.0744** Date of Next Meeting

Tuesday, 27th September 2016 at 1.00pm in Meeting Room 1 (blue room).