

ULSTER UNIVERSITY STUDENTS' UNION TRUSTEE BOARD

Minutes of meeting held on 13th March 2018 by Video Conferencing in Rooms MD008A, H113A, BA-02-012 and 08H09 at 4.00 p.m.

PRESENT

Mr Kevin McStravock, President, (KMcS), Ms Hannah Rooney, Vice President Campaigns & Communications, (HR), Ms Meghan Downey, Vice President, Belfast, (MD), Mr Andrew McAnallen, Vice President, Coleraine/Vice President Campaigns & Communications {Elect} (AMcA), Mr Oisin Kinsella, Vice President, Jordanstown, (OK), Ms Danielle Roberts, Student Trustee Jordanstown, (DR), Ms Ashley Neill, External Trustee, (AN), Ms Emma Bonner, Sports Union President, (EB), Mr Jim Coyle, External Trustee (JCY).

IN ATTENDANCE

Mr David Gray, Auditor, RSM Audit LLP, Mr Antony Blackshaw Interim Chief Executive, (AB), Ms Clodagh Kennedy, Finance Director, (CK), Mr Colin Campbell, Operations Director, (CC), Ms Avril Honan, Membership Services Director, Mr Emmet Doyle, Democracy & Campaigns Coordinator, Ms Jackie Taggart, Minute Taker.

APOLOGIES

Mr James Colgan, Vice President, Magee, Ms Melissa Hanna, Student Trustee, Belfast, Mr Chris Devine, Student Trustee, Coleraine, Mr Thomas Logue, Student Trustee, Magee, Mr Robert Stewart, External Trustee

WELCOME

KMcS thanked everyone for attending and welcomed the Trustees and Mr David Gray, Auditor, to the meeting.

UNRESERVED BUSINESS

DECLARATION OF INTEREST

- 17.68** KMcS said that at the beginning of each Trustee Board meeting, he asks if anyone wants to declare an interest in any item to be discussed. He declared an interest in Agenda Item 13. AMcA, HR, EB and MD also had an interest in this item.

KMcS explained Agenda Item 4 and that starred items are for information only and will not be discussed unless requested by a Trustee, he noted no requests had been received.

AUDIT PRESENTATION

- 17.69** DG thanked the Board for the opportunity to be present at the meeting. He explained that he was presenting the annual accounts for the Students' Union to 31st August 2017 which have been circulated,

together with the second document which is a Findings Report. This report summarises the Auditors' findings for the 13 month period.

DG presented the findings report and stated that the audit has been entirely satisfactory.

He stated that the Letter of Representation is a letter from the Board of Trustees to the auditors confirming that they have made all relevant information available and that there is nothing that they are aware of that would have some bearing on accounts that has not been disclosed.

The accounts were then presented and the impact of FRS102 was discussed. Previously pension contributions were shown in the expenditure section and there was an accompanying note in relation to the whole scheme. The introduction of FRS 102 means that a pension liability of £2,790,118 now forms part of the accounts at 31 August 2017. This means that the total reserves for the Students' Union are now showing a deficit of £2,669,649. If the pension liability was removed, the net reserves of the SU are £120,469. It is easy to lose sight of the actual trading deficit of £11,248 when it is combined with the pension deficit which is so significant. AB asked if we should draw attention to this deficit, and DG replied that you could add an additional note regarding the pension scheme, but it would be unusual to do that. CK mentioned the accounts were going online. AB noted that future Board members would understand that there is a risk that Senior Management is comfortable with. DG agreed that it may be appropriate in this instance to attach a note for the Board's records, but he would not publish it. JCY agreed that this was a sensible approach. AB said it could be a useful guide for future years. CK informed the Committee that next year's accounts will be in a different format due to charity regulations. DG said that pension fund deficits are based on actuarial assumptions of investment and life expectancy and could be significantly higher or lower if the assumptions changed.

The accounts were approved.

The issue of the letter of support being provided by the Students' Union to support Coleraine Club for 12 months from the date of signing the accounts was then discussed.

AB said that Coleraine Club is an issue for the Board. Once the Students' Union becomes a Registered Charity, there is a question as to whether the SU putting money into the Club is entirely appropriate.

Various discussions ensued on the impact of whether a letter is issued or not and whether a Board member should sit on the Club Management Committee to protect the Students' Union's interests. Currently the Students' Union is the largest creditor and will be at a loss in the event that the Club is not in a position to continue trading. The Club and Students' Union are closely linked in that extra-curricular activity is conducted in the Club premises.

The possibility of the Club relinquishing the club license and trading under an Institutional license going forward is to be considered.

KMcS asked if the Board was satisfied for the Students' Union to provide a letter with the onus of giving further scrutiny in the next 12 months. This was agreed.

KMcS thanked DG for his contribution to the meeting.

DG left the meeting.

AB said that he has sat through many presentations from Auditors and this is the first time there were no issues identified.

ACTION CK to provide a letter of comfort from the SU to Coleraine Club with the onus of giving further scrutiny in the next 12 months.

MINUTES

17.70 Minutes of the previous meeting of 20th November 2017 were approved, subject to amendments in Management Accounts.

ED joined the meeting.

MATTERS ARISING

17.71 17.58 Proposed Changes to the Articles

ED gave a presentation on Bye Law reviews over the last six months and said it is in a very early stage at present and is part of streamlining the policy making process.

AB apologised to ED and AH about the change in relation to the Chief Executive, the elections and NUS involvement confusion. As there is a lack of clarity, he felt that the Chief Executive should formally be Deputy Returning Officer for the elections. The reason is that if a candidate complaint is raised, where it reaches a level that it may be above AH/ED's pay grades, the Chief Executive would take ultimate responsibility. The Returning Officer should continue to be external to this organisation. If a serious complaint had been raised and the Chief Executive had to rule if that candidate is barred from the elections, at least the appeal by the candidate would be heard from someone external to the Union. The Board and the Council have responsibility. AB reminded him that any changes to bye laws need to be put forward to the Board as they have joint ownership.

This was approved.

ED explained that the idea behind a Student Council having three governance sub-committees at present is because there is far too much of the additional work coming to Council. We would have numbers of students being elected as a Liaison Officer/Sports/Equality etc if a policy came through remit also. The Liaison Officer should hold out on anything to do with clarification and this would be within Council's remit instead of going to Officers. This is still being discussed by Governance.

KMcS thanked ED for his work and his time taken for this presentation.

PRESIDENT'S UPDATE

- 17.72** KMcS said that most people should be aware that we appointed a new Chief Executive, David Longstaff, two months ago and he is taking up the post at the beginning of June. DL will be at the Elk on Friday 16th March and will be doing a handover with AB.

KMcS formally welcomed AH to her new post of Membership Services Director and said that she will attend future Trustee Board Meetings.

- (a) **Greater Belfast Development**
KMcS explained that in November last year, changes were made to the timeframe, with the University now suggesting 2020. After Christmas, there was a dispute between Lagan Construction Group and the University. Some of the subsidiaries of Lagan Group were placed into administration and the University has entered discussions with Somague to ascertain if they will take on the liabilities of the project. The completion date will probably be 2021/22 depending on how things go with Somague. The intentions are now focused on trying to get more investment for Jordanstown.

- (b) **Election Updates**
Elections took place last week and finished on Wednesday with the results as follows:

KMcS remains in post, as does MD and EB. AMcA moves to Vice President Campaigns & Communications with Conor Keenan taking up Vice President (Jordanstown), Owen McCloskey as Vice President (Coleraine) and Colette Cassidy as Vice President (Magee). The new posts will commence in July.

17.73 MANAGEMENT ACCOUNTS

CK gave a short summary that figures were ahead of budget though Commercial Services are still a challenge. There was a delay in recruitment which saved money on Admin Salaries and wages. There was a surplus of £22,692 in January and we should continue to maintain that surplus in February.

AH left the meeting.

17.74 INTERIM CHIEF EXECUTIVE'S PRESENTATION

AB referred the Board to his strategic review updated paper and asked for questions during his presentation. He explained that attached to his report is an update on strategic review that is a statement of where we come from, where we are, and where we are going on each of the key areas. He thanked the Board for making him feel extremely welcome right up to the end, then proceeded to give his presentation. He said that CC's new title is Operations Director. HR asked when AH's previous role will be replaced, and AB replied that it would be subtly different to

what is presented, and Advice & Welfare Coordinator and Volunteering Coordinator posts will be filled first. OK inquired about the offices in Jordanstown and AB replied that something needs to be done by the Union. We are now going to be in Jordanstown beyond the strategic planning cycle so a suggestion to the Board would be that it needs to find money to meet refurbishment costs which need to be done now. Quite a few of the items in red are easy to fix in terms of communication with Council and getting more training in place. KMcS spoke on finance and commercial services and said it might be better to leave this for the new Chief Executive and starting conversations about Magee Shop with possible changes to third party or University operating the unit.

DR inquired as to who was responsible for signing the sponsorship with Student Roost. AB inquired if she had a concern about the organisations being used, as that would be the Executive. DR said there had been kick-back on social media regarding the prices of new student accommodation. HR and EB felt that this was the standard price for the area and facilities, but DR disagreed and OK agreed with her. DR expressed concern as to who had responsibility for approving these arrangements. KMcS said the student officer team would have authority to negate or over-rule, but this might be initiated by a Senior Manager and passed to Student Officers. The process was raised with them as a matter of concern. It is about the nature of the relationship which is why we have agreed to advertise their services. A discussion ensued as to advertising ethically.

KMcS thanked AB for his presentation and on behalf of the Board for the seven months service to the Students' Union.

ACTION

KMcS to contact KMCK about advertising.

17.75

FUTURE OF COMMITTEES

AB explained that this had gone through Finance & General Purposes Committee and been amended slightly to replicate the discussion that took place at that meeting in relation to the Board. It belongs to Finance & General Purposes Committee and is a steer from that Committee to this Board. AN said we need to approach the Board for approval. KMcS gave information on the proposals:

Proposal 1 – Scheduling of Staffing, Finance & General Purposes Committee – quarterly meetings for accounts to be available, in line with Trustee Board cycle.

This proposal was approved.

Proposals 2&3 – These are linked as they separate the current Staffing, Finance & General Purposes Committee to become two Committees, Finance & General Purposes Committee and Staffing Committee. They will sit under separate terms of reference. Staffing Committee will be infrequent and will sit according to demand.

These two proposals were approved.

Proposal 4 – Finance & General Purposes Committee will be given a clear financial authorisation limit to approve spending to a certain limit, e.g. £5,000 - £10,000.

Proposal 4 was approved.

Audit and Risk have two proposals together, i.e. to meet twice a year and have responsibility for compliance issues taken out of Finance & General Purposes Committee. There was a discussion about a change of name for this Committee to Risk & Compliance Committee which would be more accurate for its business.

The Risk & Compliance Proposal was approved.

Management Board has no constitutional terms of reference, meets once a month and comprises members of Senior Management Team and Student Executive. It should be formalised into governance arrangements of the Union. Firm terms of reference should be drawn up with spend limits and decision-making authority set by Trustee Board under the schedule of delegates authority.

This was approved.

17.76

PENSION ARRANGEMENTS

This was discussed between AN, DR, JCY and AB. AB began by saying that this paper had been discussed at Finance & General Purposes Committee. These are defined contributions, so they carry no risk. We have staff in two separate pension schemes, one at 6% and one at 1%. The 1% contribution is increasing to 3% and my proposal is that this Board needs to make a considered decision as to how it is going to proceed with pension arrangements. AN said that AB had put four proposals forward and we as a Board needs to decide what is feasible.

Proposal 1 – 3.1 Uplift with government proposals in April and meet statutory obligations.

Proposal 2 – 3.2 Raise to 3% in 2018 and 5% in 2019, but we have people who are getting 6%.

Proposal 3 – 3.3 Pensions could be brought up to 6% over a period then all our staff would be treated the same.

Proposal 4 – 3.4 The Union would look to make more generous contributions, but it is not clear whether staff would make bigger contributions.

AN cautioned about limits that people can pay, we need to be seen to be a good employer. If we are only doing bare minimum we can't expect more from staff than bare minimum. DR proposed the option of looking at other schemes and felt that NEST was not a particularly good one. It is a point that this Board should revisit with the new Chief Executive. DR inquired if the successful applicants in the new posts would be going on

to the NEST scheme. CK explained that a number of staff were in the NUSPS scheme and it was intended to continue using NUSPS when auto enrolment was introduced but the scheme had closed so NEST is the only scheme that is open to new employees.

OK left the meeting.

AB noted that any changes would have to be included in our budget submission. JCY asked if we were aware of normal procedure in other Students' Unions. AB replied that most pay 6%, with a few paying 1% or 2% or 3%. Some will guarantee 3% but will match higher amounts. AN felt that 3.3 was the best suggestion. CK queried then everybody needs to pay 6% or opt out? 1% deduction was not noticed on the pay slips but 6% certainly will be. AB felt that staff should be able to pay the minimum or a lower amount if they wished to do so. He suggested strongly that the Union brings in a pension advisor as we are not allowed to offer advice on pensions to the staff. He agreed with CK that we should get as many to stay in the pension scheme as we can as we don't want people opting out. AN said that we don't want people working for 40 years and when they retire, the pension is worth little. CK asked if we should we move the employees' contributions or give people options? AB felt that staff would move to 2%. CK will examine costs and implications.

AB gave a formal recommendation for the Board to investigate the potential of the schemes.

JCY left the meeting

ACTION CK to examine costs and implications of pension contributions.

Pensions Advisor to be brought in.

SCHEME OF DELEGATED AUTHORITY

17.77 AB felt there should be a live document to be used by Senior Management. Sponsorship discussed earlier would be managed by this document, as well as the way the organisation makes decisions. A bad organisation would assume that all decisions were taken at Board level. We are trying to see these decisions go down through the organisation. AB used the University's headings and framework for our documents as they all related to us. Senior Management need to see where there are gaps. Finance & General Purposes could sign off contracts existing within one financial year. Governance issues and democratic structures are not matters for the Board. There is enough to allow governance decisions to be taken. DR agreed that it is sensible to have a more comprehensible document which can be updated. AB said it was for information only.

TRUSTEE RECRUITMENT

17.78 KMcS told the Board that we are introducing a 4th external Trustee. We had a discussion with Aspen about them becoming the search agent.

KMcS, RS and AB had a meeting about any other companies to contact about the proposal due to Aspen's geographical context. 4C Executive are interested and have forwarded a proposal for Trustee Appointment (which is attached with the Executive Search Proposal). DR commented that she had read the tender documents and queried if £6,000 is reasonable and is it for one trustee only. A second Trustee would cost a further £2,000. AB said that the Aspen figure was the same, so it is a reasonable figure, but he was unsure as to whether any other company would provide the same level of service. He added that a skills audit could be requested when appointing them. HR said it seems to be a lot of money, especially when there is no money for other things. EB agreed. AB said that contracts of this type would have a 1 year clause that if the Trustee resigned or proved unsuitable, they would go back out to search. AB noted that If we were looking for two Trustees, I suggest you spend the money and added that £6,000 isn't excessive for one. Most developed Unions use some form of search for Trustees. You can do this yourselves, but I am not convinced we have the capacity. AMcA said his initial reaction is that it's a lot of money but will provide someone who will be with the organisation for a long time. KMcS agreed that £6,000 is a lot to pay out but we need to look at long term value of appointing people who are hopefully going to bring a lot to the organisation.

DR left the meeting.

He continued and agreed it is not a paid post, but in the case of two appointments, this seems feasible. There is pressure from current recruitment and going local this time is better. KMcS agreed that location is key in recruiting someone in Northern Ireland who is in the sector and will have reams of contacts who will be suitable contacts for us. A vote was taken in favour of 4C and AB said the right decision was made. AB said a "no money" culture had become the norm. This is no longer the way we work. It is crucial that money is found for feasible requests. He reminded that no one should spend money for the sake of it, and CK should be consulted about key issues that need funding.

AB thanked CK for the clean bill of health of the accounts. He reminded the Board that the minutes were for the last Staffing, Finance & General Purposes Committee and Audit & Risk Committee meetings. He thanked everyone who had produced papers.

ACTION TABLE

Minute	Agenda Item	Action	
17.69	5	CK to provide a letter of comfort from the SU to Coleraine Club with the onus of giving further scrutiny in the next 12 months.	CK
17.74	11	KMcS to contact Karen McK about advertising.	KMcS
17.76	13	CK to provide costs and implications Pensions Advisor to be brought in.	CK CK/CC