



Date: Thursday 29 April 2021

Time: 17:30

Venue: Online

## Board of Trustees

### Minutes

Chair: Carol Paige, Democracy, Operations & Community Officer

Members:	P	AP	AB
Aining Liang, Student Trustee (AL)		✓	
Aparna Sree Asok, Student Trustee (ASA)	✓		
Ayman Benmati, Education Officer	✓		
Carol Paige, Democracy, Operations & Community Officer, Chair	✓		
Clare Bracey, External Trustee (Non-UCL)	✓		
Deepan Banati, External Trustee (UCL Staff)	✓		
Ilyas Benmouna, Activities Officer	✓		
Petra Barran, External Trustee (UCL Alumni)	✓		
Shail Bhatt, Student Trustee (SB)	✓		
Shoora Shafeeq, Student Trustee (SS)		✓	
Yasmeen Daoud, Welfare & International Officer, Vice-Chair	✓		

In Attendance:
Aarushi Menon, Women's Officer
Alex McKee, Head of Student Engagement & Communication
Catherine Barrow, Head of Finance
Debbie Nichols, Head of Operations
Jim Onyemenam, Postgraduate Students' Officer
John Braime, Volunteering Manager (for item 10)
John Dubber, Chief Executive
Rebecca McLoughlin, Governance & Administration Coordinator, minutes
Simon To, Policy, Governance & Insight Manager, Secretary

#### 1. Welcome & Introductions

The Chair welcomed all those present and asked them to introduce themselves. The Chair noted apologies from the Student Trustee (AL) and the Student Trustee (SS).

**RECEIVED**

#### 2. Declaration of Interest

The Chair asked if there were any declarations of interest. None were declared.

**RECEIVED**

#### 3. Minutes and matters arising from the meeting 4 March 2020

The Chair noted that the matters arising from the meeting of the Board in March have been completed except for the following:

- The Head of Finance to bring back the Financial Statements 2019/20 to the Board when the VAT liability is confirmed – this will be considered in the June meeting.

- The Governance Committee to discuss the composition of committees and ensure they are effective in carrying out their remit – This will be considered by Governance Committee as part of its work on the Governance Review Action Plan.
- The Head of Operations to develop a Strategic Risk Management Policy and update the format of the Risk Register and report back to the Risk & Audit Committee and thereon to the Board – This will be considered by Risk & Audit Committee.

The Board approved the minutes of the meeting on 4 March 2020 as a true and accurate record.

**APPROVED**

#### **4. Appointment of the Board Vice-Chair**

The Policy, Governance & Insight Manager confirmed that a Review of Governance Arrangements was undertaken in 2019 and included a recommendation to introduce an external Vice-Chair. The Board formally established the role at its meeting in December 2020. The External Trustee (Non-UCL) has agreed to take on this role. The Policy, Governance & Insight Manager asked the Board to confirm Clare Bracey, External Trustee (Non-UCL) as Vice-Chair (External) of the Board with immediate effect for two years.

The External Trustee (UCL Staff) asked why this position was being introduced. The Policy, Governance & Insight Manager responded that this role will ensure continuity on the Board and was a recommendation in the Governance Review. Furthermore, the role is a good support mechanism for the Chair and Vice Chair (Sabbatical) of the Board.

The Education Officer asked who was responsible for the appraisal of the Chief Executive. The Chair responded that this is the responsibility of the Chair of the Board of Trustees.

The Board approved the appointment of the External Trustee (Non-UCL) as Vice-Chair (External) of the Board with immediate effect for two years.

**APPROVED**

#### **5. Sabbatical Officers' Report**

The Welfare & International Officer gave an overview of the Sabbatical Officers' Report and highlighted the following:

- Leadership Race took place in March and this was our biggest election to date.
- The Sabbatical Officers remain active in developing national influence for UCL students. Two Sabbatical Officers and the Chief Executive recently met Michelle Donelan, Minister for Universities, to discuss the experience of students at UCL during the pandemic.
- A full review of Report + Support with the UCL Equality, Diversity and Inclusion team is underway.
- Working on a new pre-enrolment compulsory module about Respect and Inclusion, which includes consent training, explaining your rights as a student, and looking to find ways to better promote both UCL and Union support services within that.

The External Trustee (Non-UCL) asked how the recommendations were received by the Minister for Universities and if there are any follow-up plans. The Postgraduate Students' Officer

responded that so far Minister has not demonstrated that she has taken any recommendations forward, but this is being chased up. The Chair added that they had also sent an email to the Minister but there has been no response so far.

The External Trustee (UCL Staff) asked how plans for the handover were progressing and offered their support if needed. The Chief Executive confirmed that there was an established handover process and a working group has developed a draft schedule so far. The Chief Executive suggested that the External Trustee (UCL Staff) discuss how they can support the handover with the Head of Finance.

**ACTION:** The External Trustee (UCL Staff) to discuss how they can support the Handover process with the Head of Finance.

The Student Trustee (SB) asked if we were the only Students' Union that has reached out to the Minister for Universities. The Chair responded that we are not alone in trying to communicate with the Minister. They added that student unions from across the country have been getting involved. The Chair also noted that Students' Union UCL, Sheffield Students' Union and LSE Students' Union have funded research into student fees with thinktank, London Economics. We were doing as much as we can independently and collectively.

**RECEIVED**

## 6. Chief Executive's Report

The Chief Executive provided highlights from their report including:

- Our annual Leadership Race was the largest student election in the UK this year.
- The Sabbatical Officers remain active in developing national influence for UCL students.
- The Union was recently announced as a winner of a One UCL Award 2021 for the Outstanding Team Contribution to UCL's Mission Award category.
- UCL agreed to a substantial increase in our grant funding.
- Establishing an Estates Project Group to develop a Masterplan for the future estate of the Union and sporting facilities.
- The Union has been awarded silver accreditation for Investors in People, with an improvement in results from our bronze rating in 2018.

The External Trustee (Non-UCL) asked who would be setting the commercial revenue targets linked to the additional grant from UCL. The Chief Executive replied that these targets have not yet been defined with UCL. The External Trustee (Non-UCL) noted that they would have reservations about conditions being attached to the Block Grant from UCL. The Chief Executive agreed. The External Trustee (UCL Staff) added that they are not sure why UCL would require commercial targets and asked if they could be involved in future discussions about this. The Chief Executive confirmed that they would be happy to involve them going forward.

**RECEIVED**

## 7. Management Accounts (month 7)

The Head of Finance gave an overview of the Management Accounts (month 7). They highlighted that the management accounts are measured against forecast 1 which was undertaken in November. The financial position has not changed significantly since Quarter 2, with the accounts showing an operating surplus of £151k before amortisation of capital grants. The surplus is due to the receipt of an additional grant of £295k for student activities that has had limited spend against it to date. Before the additional grant, the operating deficit was £140k compared to a forecasted deficit (November forecast) of £578k. The lower deficit was mostly due to ongoing tight control of expenditure in all areas, the extension of the furlough scheme, and little expenditure in sports clubs and societies due to the continuing Covid-restrictions. Overall, we are performing much better than predicted which is mainly due to controlling costs and the additional grant from UCL.

The External Trustee (UCL Staff) asked how we were financing this deficit and was there any information of the insurance claim on our commercial losses. The Head of Finance responded that we have reserves that we can draw on in emergencies to cover this deficit. The Head of Operations added that they are still awaiting confirmation from the Union's insurers.

The Board received the Management Accounts (period 7).

**RECEIVED****8. 2021-22 Forecast 2**

The Head of Finance gave a summary of Forecast 2 for 2020/21. They explained that the second forecast for 2021/21 delivers an operating deficit (before amortisation of capital grants) of £433k compared to the first forecast deficit of £1,082k and a budget deficit of £990k. The reduced deficit has been achieved by using the extended furlough scheme extensively, savings in clubs and societies due to restricted activities as well as careful control of costs and additional grant income. They added that the forecasted income includes £184k of unspent grant for student activities which will be carried forward as part of the Union's restricted reserves and spent next year. Without this the forecast deficit for 2020/21 would be £617k.

The Head of Finance explained that since Forecast 1, furlough rebates are now being shown as income rather than a credit against staff costs and this has increased the income variance and reduced the expenditure variance versus Forecast 1. They noted that Forecast 2 predicts that the full year income from the furlough scheme will be £390k and we will close the year with just under £1million in our free reserves. The Head of Finance stated that with the new decision from UCL to increase our grant funding over the next three years, we will be able to begin rebuilding our free reserves. They added that when the financial year closes on 31 July we now forecast that we will have total funds of £5.9million (last year we closed on £6.5million).

The Board approved the 2021/22 Forecast 2.

**RESOLVED****9. Budget Parameters for 2021-22**

The Chief Executive explained that the budget parameters have been brought to the Board for discussion to seek the Board's input on the assumptions that we are making for next year's

budget planning. They confirmed that over the next few weeks, meetings will take place with all department managers to discuss their budgets and a proposed consolidated budget will be brought back to the June meeting of the Board.

The Chief Executive outlined the assumptions for the Budget 2021-22. They confirmed that the aim is to get to a balanced operating budget for next year (excluding the impact of one off grants) if possible whilst continuing to provide a good-quality core level of service for students. The intention would then be to start rebuilding reserves in years 2 and 3 as the grant increases further and commercial services are expected to fully return to normal levels of trading activity. They noted that it is anticipated that trading for commercial outlets will still be impacted to some extent by the continuation of online teaching for large lectures, with an expectation of fewer students coming on to campus. Although there could be lower footfall, this will be offset by additional outlets and small increases in prices to reflect inflation and ensure appropriate margins.

The External Trustee (UCL Staff) asked about why a balanced budget was important, they also asked about the pension deficit for next year. They highlighted the need to focus on cost and income from other areas such as sponsorship. The Chief Executive responded that they would like to generate a surplus to enable us to invest in our services but due to the need to eliminate the Union's historical operating deficit and expected lower income from commercial services, this would be challenging to achieve next year. They noted that the auditors have advised that the Union should consider the pension deficit as a very long-term liability, separate to our free reserves. Future increase in employer pension contributions will be built into the budget as these are known.

The Education Officer asked about building up our reserves and if there was something in particular this was intended to be used for. The Chief Executive replied that the aim is to not deplete the free reserves any further next year as they are needed for unexpected circumstances. However, in the long term it would be good to build up the reserves to be able to use them to improve our buildings and sports facilities.

The Head of Finance commented that there is currently a 2% inflationary uplift on the Block Grant from UCL, but we have requested that this is increased to 3%.

The External Trustee (Non-UCL) commented that they would be cautious about making assumptions and would open the commercial outlets on a case-by-case basis. They added that the challenge when setting the budget is how it will positively impact students and this needs to be clear in the parameters. They also asked if the Union should be making more opportunities for student staff. The Chief Executive replied that a key priority would be more roles for student staff next year as the Union's commercial outlets re-open. The Chair suggested that the Chief Executive bring back an update to the June meeting regarding student staffing as part of next year's budget.

**ACTION:** The Chief Executive to bring an update to the June meeting regarding student staff employment opportunities as part of next year's budget.

The External Trustee (UCL Staff) asked how the Budget Parameters 2021-22 are being scrutinised by the committees. The Chief Executive replied that it has been looked at by SMT, the Leadership Team and the Finance Committee.

The Chair asked the Board what their budget priorities would be for the next year. The following ideas were noted:

- Hiring more student staff.
- Have a graded increase for introducing activities as the term progresses.
- Importance of opening up café and bars.
- Providing opportunities for students to connect in innovative ways.
- Increase visibility and making students aware of what is going on.
- Reinvigorate our activity spaces.
- Restart our commercial outlets.
- Heavy focus on rebuilding student experience and activities.
- Invest in a multipurpose sports facility at UCL East.
- Financial stability for the Students' Union UCL – move towards a breakeven budget.
- More social spaces for students on campus.
- Prioritise the new Equity & Inclusion Unit.

The Chair noted that these would be taken into consideration during budget planning.

The Board agreed it would be useful to set long-term financial targets for the Union which can be presented at the June meeting.

**ACTION:** The Chief Executive & Head of Finance to include long-term financial targets in the budget paper for 2021-22.

The Board endorsed and received the Budget Parameters 2021-22

**RECEIVED**

## 10. Volunteering Service Annual Review 2019-20 and Future Strategy

The Volunteering Manager presented the Volunteering Service Annual Review 2019-20 and stated that the report is also available on the Union Website. They noted that the Volunteering Service has three main services:

- Connecting students with volunteering opportunities.
- Student-Led Volunteering Programme.
- Community Research Initiative for Students.

They outlined the highlights from the review including:

- 2,046 students volunteered in 2019/20.
- 55,700 volunteering hours contributed to projects across London.
- Virtual volunteering.
- Guidance on safe volunteering.
- Social Hackathons moving successfully online.

The Volunteering Manager went on to explain the profile of students who engage in volunteering and outlined the benefits of volunteering. They summarised the ongoing strategic review of the service. The External Trustee (Non-UCL) asked what the priorities and timeline were. The Volunteering Manager responded that they are still in the process of putting together the strategic review but that this would be completed ahead of next academic year.

The Chair suggested linking up with the UCL Office of the Vice-Provost (Research, Innovation & Global Engagement) and added it would be good to embed volunteering into the curriculum.

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#### **11. Investors in People Report and People Plan Update**

The Head of Operations confirmed that the Investors in People (IiP) assessment was conducted in January 2021. They noted that the Investors in People assessment results were received on 17 February 2021 and we were awarded Silver. The Head of Operations went on to outline the draft People Plan. The External Trustee (Non-UCL) noted that there were a couple of things in the Investors in People Report that were not in the Action Plan such as objective setting and pulse surveys. The Head of Operations responded that the People Plan is still in draft form and these will be added.

The Chief Executive added that the focus of the report was on permanent staff and did not include student staff, but the Union remained committed to looking at this too. It was noted that the People Plan will be brought back to a later meeting of the Board.

**ACTION:** The People Plan will be brought back to a future Board meeting by the Head of Operations.

**RESOLVED**

#### **12. NUS Services Shares Acquisition**

The Policy, Governance & Insight Manager confirmed that we currently held 60 A Shares in NUS Services Limited. The NUS Charity has requested we consider the transfer of our shares in NUS Services Limited and they are offering to pay the original nominal value of £1 per share to acquire them. The Policy, Governance & Insight Manager asked the Board to consider the offer made by the NUS Charity to acquire our shares in NUS Services Limited. They noted that if we do not agree, the NUS Charity can force a compulsory purchase order. The External Trustee (UCL Staff) asked for a steer from the Senior Management Team. The Chief Executive responded that having into this, the shares have no real value, and we receive no dividend from them, so transferring them to NUS was the recommended course of action. The External Trustee (UCL Staff) asked if there was any other benefit from us having the shares. The Policy, Governance & Insight Manager noted that there will be no change in our influence on NUS Services Limited through the NUS Charity. They noted that they currently own 97% of the shares and the other 3% is distributed across numerous students' unions.

The Board approved the selling of the 60 A Shares in NUS Services Limited back to the NUS Charity for nominal value of £1 per share, and authorised the Chair to exercise the sale.

**RESOLVED****13. Health & Safety Update****RECEIVED****14. Advice Service: Debt Advice**

The Policy, Governance & Insight Manager explained that the Union's Advice Service has been authorised, with limited permissions, to provide debt advice as a not-for-profit organisation by the Financial Conduct Authority (FCA) since 12 January 2018. On 9 December 2019 the FCA brought the Senior Managers and Certification Regime into force, which required all solo-regulated firms to submit their organisation's 'Directory Persons' by 31 March 2021. For most AdviceUK charity members who are regulated by the FCA, which we are, 'Directory Persons' has been confirmed as referring to our trustees. They added that one of the trustees flagged why this was not covered on our Compliance Register. The Chief Executive responded that they would be happy for this to be included on the Compliance Register in the future. The External Trustee (Non-UCL) asked if all trustees had to register with the FCA. The Policy, Governance & Insight Manager confirmed that the request was for all trustees.

The External Trustee (UCL Staff) confirmed that they would like this to sit on the Compliance Register. They also noted that they were surprised at the low number of students who availed of debt advice and suggested the Union should be doing more of this either in-house or by referral.

The External Trustee (Non-UCL) commented that they were not clear on what the risks are and before a decision is made, they need a better understanding of the options. The Chief Executive said that a paper would be presented to the next meeting of the Board with further information.

**ACTION:** The Chief Executive arrange a paper for the June Board meeting exploring the options available with giving debt advice.


**RECEIVED****15. Report from Meeting of Finance Committee on 22 April 2021, FC2003 (Draft Minutes)****RECEIVED****16. Any Other Business**

The Chair confirmed that prior to the change in the agenda, there was going to be a private session of the Board to discuss the Chief Executive's appraisal process. It has been decided to do this via email and the Chair asked the Board to ensure they send on comments or any feedback that they would like to be fed into the appraisal.

**RECEIVED****Minutes approved as a true and accurate record**

Chair:	Carol Paige, Chair of the Board
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Signature:	
Date:	23/06/2021

Action Note	
The External Trustee (UCL Staff) to discuss how they can support the Handover process with the Head of Finance.	External Trustee (UCL Staff)
The Chief Executive to bring an update to the June meeting regarding student staff employment opportunities as part of next year's budget.	Chief Executive
The Chief Executive & Head of Finance to include long-term financial targets in the budget paper for 2021-22.	Chief Executive & Head of Finance
The People Plan will be brought back to a future Board meeting by the Head of Operations.	Head of Operations
The Chief Executive arrange a paper for the June Board meeting exploring the options available with giving debt advice.	Chief Executive