

BOARD OF TRUSTEES

Date: 7th December 2011

Time: 5.00pm

Venue: MR 4/5
(Warwick SUHQ)

Circulation:

Leo Boe, Sean Ruston, Chris Luck, George Whitworth, Izzy John, Chris Sury, Matthew Rogers, Cathy Watts, Andrew Clarey, Tom Smeaton, Ian King, Judy Ryder, Jordaan Wolfson, Charlotte Ogilvie, Silkie Cragg, Alicia Mou, Jacqui Clements, Tracey Grant, David Dedman

In Attendance:

Leo Boe, Sean Ruston, Chris Luck, George Whitworth, Izzy John, Chris Sury, Matthew Rogers, Andrew Clarey, Judy Ryder, Silkie Cragg, Alicia Mou, Jacqui Clements, Tracey Grant, David Dedman, Suzanne England (Strategy Programme Manager, University)

MINUTES

Meeting Quorum: 9

2.1 APOLOGIES FOR ABSENCE

Cathy Watts, Tom Smeaton, Ian King, Charlotte Ogilvie

Absent without Apologies:

Jordaan Wolfson

2.2 DECLARATION OF CONFLICT OF INTEREST

None declared.

2.3 UNIVERSITY OF WARWICK STRATEGIC PLAN

Presentation given by Suzanne England.

LB thanked SE on behalf of the Board of Trustees.

2.4 MINUTES OF THE PREVIOUS MEETING AND ANY MATTERS ARISING

RESOLVED: That with amendment to 1.6 Management Accounts 'approval sought to set aside reserves of **up to £200K**' the minutes of the meeting held on the 12th October 2011 be approved.

Matters Arising

1.11 KPI Updates 2010-11

Papers noted.

Reported: (By JC)

KPI's approved via email on 7th November 2011.

Matters Arising not on the Agenda

1.4.1 A Living Wage for Union Staff

Reported: (By LB)

Living wage policy past at Union Council.

Policy resolves:

1. To mandate the President to work towards raising the base wage for all workers in the University of Warwick Students' Union to at least £7.20 per hour (including holiday pay).

2. To ensure this wage is provided for all staff working in or for the Union regardless of how staff are contracted, what their hours are, and whatever non-voluntary positions they hold.

3. To make sure pensions are accounted for in the implementation of this policy. President mandated to "work towards" achieving this. KD in process of scoping project looking at reward review, review to be conducted across entire organisation incorporating living wage policy. Process will produce road map to take this forward and will assess feasibility of any options.

Reported: (By JC)

Reward review has been an aspiration for many years. Unable to take forward up to this point due to lack of resources, financial position and restructures arising from unsustainable financial position. Estimate thirty full uninterrupted days in man hours to complete.

KD in process of scoping project which will clarify time required to conduct project and budget required to do so, KD instructed to take to budgeting sub - committee, unless January/February accounts show sufficient funds to conduct review earlier. Currently budgeted to carry out next year (2012-13), will go forward to Finance & HR Committee to recommend to Board of Trustees as part of 5 year planning process

Reported: (By SR)

To clarify policy was a renewal of policy first submitted two years ago.

Reported: (By JC)

Staff on bottom of pay scale have received increases in excess of other staff members of 2.5% as a result of minimum wage increases. Pay freeze in place last year with the exception of the lowest point on the payscales

Reported : (By AC)

Requirement to communicate to members that the Board of Trustees have discussed and considered this in the past and at regular intervals but finances and resource availability restrictive.

Reported: (By JC)

KD to submit paper to February Board of Trustees meeting stating process the SU believes it needs to follow in order to determine recommendations going forward. Requirement to communicate to our members what has already been done and the requirement to be mindful that despite a more successful year last year financial restrictions still apply. Current 5 year plan shows deficits in two years' time. 5 Year plan assumes increases in pay during this period.

2.5 NOTIFICATION OF ANY OTHER BUSINESS

None

2.6 CHAIRS BUSINESS

2.6.1 Board of Trustees Social Event

A non-formal social event to take place after each Board of Trustees meeting where viable.

2.6.2 General Meeting

To circulate motions and outcomes to Board of Trustees via email.

2.6.3 Chancellors visit to the Union

Sir Richard Lambert made a visit to the Union on the 6th December 2011, met with Sabbatical Team and toured the Union.

2.6.4 Occupation outside Coventry House

The occupation outside Coventry House ended today.

2.7 ACCOUNTS

Papers noted.

Reported: (By TG)

Auditors in process of reviewing wording, figures will not change. Final version as approved by the Auditors will be circulated to the Board of Trustees.

SOFA Statement – new requirement, shows income and expenditure in charity format. Overheads apportioned over charitable activities. Very different format to management accounts.

Balance Sheet – General Funds available for the group lower than the Union due to MSL technically reporting a loss.

MSL - MSL transfers its taxable profits under gift aid to Warwick Students' Union. In order to get to the taxable profit certain types of expenditure are disallowed and often the way in which depreciation is charged substituted with a different calculation called capital allowances. This means that a taxable profit is often higher than the trading profit.

MSL does have some disallowable expenditure. Each year MSL spends a very modest amount on 'client hospitality'.

2011-12 was the last year in which MSL utilised the tax losses brought forward from previous years and held a profit on ordinary activities after taxation. Should MSL remain profitable, then the adjustments required for tax purposes will generate small losses each year equivalent to disallowable expenditure (in this case client hospitality).

These losses build-up in the balance sheet and make the company look as though there is a going-concern issue. This is just an accounting technicality and is a characteristic of subsidiary companies which gift aid their profits. The loss relating to disallowable expenditure held on the balance sheet at the end of July 2011 is £1,420.

It is customary in this situation for the subsidiary to increase its authorised and issued shares. This improves the capital and reserves part of the balance sheet and removes the technical going concern problem.

MSL Board of Directors to be asked to authorise the issue of additional shares, this will be referred back to the Board of Trustees to authorise purchase of shares.

SUSS

Pension scheme valuation deficit almost twice previously estimated deficit, not known at this stage what Warwick SU share of deficit will be. Any increase in contributions will be referred back to the Board of Trustees.

2.8 MANAGEMENT ACCOUNTS

Accounts noted.

2.9 FINANCE STRATEGY

Papers noted.

Reported: (By JC)

Finance & HR Committee commending to The Board of Trustees.

Approved, **unanimously**.

2.10 RATIFICATION OF APPOINTMENT OF NEW TRUSTEES

Papers noted.

Reported: (By CL)

Appointments ratified at the last Union Council meeting.

Approved, **unanimously**.

2.11 UNION COUNCIL

Deferred.

2.12 CLOSED SESSION BUSINESS

See closed session minutes.

2.13 ANY OTHER BUSINESS

None

2.14 FOR INFORMATION

2.14.1 Finance & HR Committee

Noted

2.14.2 Audit and Risk

Noted

2.14.3 SUSW

Noted

2.15 TIME AND DATE OF NEXT MEETING

Noted.