



BOARD OF TRUSTEES

Date: 20th July 2016

Time: 16.30pm

Venue: MR4/5 SUHQ

Circulation:

Isaac Leigh, Charlie Hindhaugh, Oliver Rice, Luke Pilot, George Creasy, Alex Roberts, Nathaniel Shiers, Toby Leek, Rachel Strudwick, Marissa Beatty, Sam Fry, Jason Tran, Dammy Sokale, Judy Ryder, James Hunt, Emma Cox, Nyasha Pitt, Graham Parker, Jacqui Clements, Tracey Grant, David Dedman

Meeting Quorum: 10

MINUTES

LP chaired the meeting for agenda items 7.1.0, 7.2.0, 7.3.0, 7.4.0, 7.5.0, 7.6.0, 7.7.0, 7.8.0, 7.9.0, 7.10.0

RG, TC, and CW in attendance as observers.

7.1.0

APOLOGIES FOR ABSENCE

Charlie Hindhaugh

Absent without apologies

None

The Chair thanked TL, RS, JT, JR and the outgoing Sabbatical Team members for their contribution to the Board of Trustees and Warwick SU and wished them every success for the future.

7.2.0

DECLARATION OF CONFLICT OF INTEREST

None declared.

7.3.0

MINUTES OF THE PREVIOUS MEETING – OPEN

Resolved: That the open minutes of the meeting 22nd June 2016 were approved as a true and accurate record of that meeting.

7.4.0

MATTERS ARISING

None.

7.5.0

ELECTION OF VICE – CHAIR

One submission for the position of Vice Chair to Warwick SU Board of Trustees received from NP.

NP gave a short speech in submission of her application for the position of Vice Chair to the Board of Trustees.

NP left the meeting whilst the vote was conducted.

Vote conducted, fourteen votes received in favour of NP's appointment to the Vice Chair of the Board of Trustees, nil against, nil abstentions.

Resolved: NP elected unanimously to the position of Vice Chair to the Board of Trustees as from the 1st August 2016.

7.6.O

CHAIRS BUSINESS

- **Sabbaticals Elect**

The Chair introduced and welcomed the members of the Sabbatical Team elect observing at the meeting.

- **Lay Trustee**

HT successful candidate to the position of Lay Trustee as reported at the last meeting has officially accepted the appointment.

- **Higher Education Bill**

Second reading taken place, passed by a tight margin. Calls made for organisations to submit amendments, Warwick SU to call on the student body for input.

- **BREXIT**

Incorporated into the Warwick SU Risk Register, standing item on Audit & Risk Committee agenda going forward. To note University have advised students that it is currently business as usual. University in process of clarifying fees for 2017-2018.

- **Library Campaign**

Extended opening hours approved by University Council.

- **Events** – Successful end of term events.

- **University Council** – GC and AR presentation to Union Council re Sports Clubs/Societies well received, positive impression of the Students' Union.

- **Registrar** – KS leaving event attended by a number of ex Sabbatical Officers, successful event.

7.7.O

MANAGEMENT ACCOUNTS

Paper noted.

TG reported proportion of capital expenditure particularly around systems where unable to accelerate some of the capital spend carried forward to next year as a result of which some capital expenditure (refurbishment) brought forward.

JC reported couple of specific items previously approved for expenditure next year bringing into this year as outlined by TG.

Reserves ahead of reserves policy level as a result of which

overachieving budget; this has provided some expenditure flexibility. Some additional expenditure approved with regards to cosmetic improvements in some of the outlets, including purchase of furniture for the Terrace Bar, Curiositea back bar improvements previously approved.

Some additional expenditure approved for upgrade of website, a lot of development work to be complete, outsourcing work on three of the F&B websites.

Resolved: Year to date figures for the end of May 2016 noted.

7.8.O

COMPLIANCE

Appointment of Auditors

TG reported changes in accounting practice moving away from UK GAAP to FR102, unusual to change auditors during time of such significant change.

Proposal to appoint the same auditors going forward (change of name last year from Baker Tilley to RSM UK Audit LLP), looking to secure the same senior leader. Significant change taking pensions onto the accounts, some preliminary work conducted, Warwick SU one of the few companies who pre - paid pension three years ago therefore no pension payments made for the last two years as a result of which nothing to record through the I&E schedule, currently taking advice on how this should be recorded, issue preparing discounted cash flow.

In process of seeking advice with regards to what percentage to apply to the discounted cash flow, little guidance received from SUSS. To contact accountancy advisory team re in house rate, alternatively take rates from Mercers who are looking at the University SUSS scheme. Further information to be communicated to the Board of Trustees when received.

BREXIT – unclear if this has had any significant affect as yet.

Resolved: RSM UK Audit LLP **approved** unanimously as Auditors to Warwick SU for 2016 – 2017.

Compliance Statement

To note signed copy incorporated into the Framework Agreement.

People with Significant Control Register

To note register complete.

Matters for decision/discussion

7.9.O

BUDGET UPDATE

JC reported that as previously advised £300K additional request submitted as recurring grant this year, University Council confirmed £200k as stand still request to deal with changes around the

national living wage, apprenticeship levy, and BUCS funding as previously communicated, final £100K allocated on the understanding that Warwick SU submit a case for the additional sum. University wished to fully understand the additional payroll costs in advance of approving the additional £100k.

University Finance Director requested readdress pay scales, concern with regards to employee relations implications under original submission, requested costs if percentage increase at top end of pay scale not cut back to zero, bringing closer into line with the University in terms of percentage increases, some work conducted, looks realistic, differential to be deducted from the £100K, remainder to be available to the SU to distribute based on the priorities set by the Board of Trustees.

Appointment of Societies Co-ordinator in progress, Sport Manager post, additional BUCS funding to take forward. Community project that will be a funded charity project working with the University to deliver improved community relations for a set period of time, meeting with University team on Monday to start scoping what it may look like, will not pursue irrespective until objectives approved. To note requirement to consider future requirements, potential for time limits on some projects.

Challenging questions asked at FGPC when request presented, VC looking for assurance that Annual Allocation money represents value for money to the University, requirement going forward to ensure Warwick SU articulates it value and impact on the student body and membership, to discuss impact reporting at strategy day.

IL chaired the meeting from this point.

7.10.O BOT KPI UPDATE AND ATTENDANCE REPORT

Paper noted.

Resolved: Progress against KPI's for 2015 – 2016, and attendance report noted, proposed KPI's for 2016- 2017 approved, unanimously.

7.11.O ANNUAL COMPLAINTS REPORT

Paper noted. To note further training to take place with regards to the Social Media Policy. Complaints procedure working well.

Separation of the ongoing and completed complaints, incorporation of days to resolve to date, and incorporation of Rag ratings to be incorporated into the report.

Resolved: Report noted amendments to be implemented as above.

7.12.O FRAMEWORK AGREEMENT

Paper noted.

Discussion took place with regards to point 18.7, where trustees raised concerns regarding the difference between the University's responsibilities under the Education Act and the SU's legal

responsibilities as trustees and as a charity. Concern was raised as to whether the current wording gave undue precedence to reaching a conclusion that was satisfactory to University Council. It was noted that conversation had taken place with the University Lawyer, the Framework Agreement is not a legal document, not a contract, it's a framework of good governance.

To further note a formal letter in terms of the grant has never existed previously, there has always been an issue with that, currently in discussions as to what that might look like.

It was agreed that the Warwick Students' Union and Warwick University logos should both appear on the document.

Resolved: Framework Agreement and the format of the Trustees Annual Compliance Statement **approved**, unanimously, JC to make amendment as discussed and take forward for signature.

7.13. O **RISK REGISTER**

Paper noted.

JC outlined the specific action taken to mitigate the risk following the EU Referendum as set out in the cover paper.

Further strategy discussions/questions to be conducted at scheduled strategy days or outside of the meeting if required.

Resolved: Risk Register reviewed and noted.

7.14.O **RECAPITALISATION**

Verbal item.

TG outlined the background behind the recapitalisation issue as previously discussed at Board meetings. The Board noted that:

Warwick SU currently has £102 share capital in SUSW and £9,500 in MSL (£10,000 in allotted shares)

Technical changes to accounting state that it is no longer sufficient for the Directors of the subsidiary companies to just have shares available and that there is a requirement to invest in the subsidiaries sufficient to meet operating costs. The Board noted that MSL more complicated than SUSW as a result of the minority interest shareholder.

SUSW could issue 1,000 shares, proposal is to increase allotment to potentially 20,000 authorise and allot to the Union another 14,898 which brings to £15,000 worth of share capital, Warwick SU will own 3,000 shares, will then surrender 12,000 and leave the cash in the company, can be justified as required to support the activities for growth in SUSW.

MSL complicated due to minority shareholder issue, currently MSL has authorised £15,000 worth of shares and has 10,000 allotted proposal is for MSL to authorise 60,000 more of a different type of

share and offer to Warwick SU to purchase, MSL will have authorised in total 75,000 but sold 70,000
 Board of Trustees will be asked if they are willing to surrender the 60,000 shares which will assist MSL to invest in development work and provide the shares as a cushion for gift aid payments.
 As a total the Board of Trustees will be asked to spend £74,898 on the two subsidiaries, this can be justified based on business plans, and is within the envelope of income this year.
 Currently awaiting confirmation on the proposal from BWB.
 Appropriate paperwork will be circulated.
 Next steps – MSL and SUSW to authorise, then offer allotment, Board of Trustees to agree the allotments, separate meeting or email vote required to agree to surrender the value.
 Two resolutions to be submitted the board, one to agree to buy; one to agree to surrender to their subsidiaries will have resolutions beforehand.
 Defined plans and defined limits in place.

Resolved: Proposals noted, approved subject to confirmation from BWB.

Matters for information

7.15.O

DEMOCRACY REVIEW

Paper noted. Presentation received.



Presentation The
Democracy Review 20

Discussion took place with regards to the name change (ASM/SU Referendum)) and whether the meaning would be clear to those not so familiar with democracy and the democratic procedure.

Requirement to note reference in the Memorandum and Articles, explicitly to ASM was raised, under current legislation unable to remove 'ASM' although could be referred to as called 'Student Referendum'

It was noted that the change of name was to attempt to change the culture and to overcome a lot of access issues.

It was further noted that the review had been trailed using both names

Resolved: Democracy Review 2016, noted.

7.16.O

ELECTIONS REPORT

Paper noted.

OR outlined the general comments on the paper.

Resolved: Report noted.

7.17.O STRATEGIC PLAN UPDATE

Paper noted.

Resolved: Progress to date and priorities for 2016 - 17 noted.

7.18.O END OF TERMS OF OFFICE

See above.

7.19.O COMMITTEE CHAIRS FEEDBACK – OPEN

- **Audit & Risk**

NSh – Data Protection Regulation Changes/EU Referendum
- to remain on the Audit and Risk Committee Agenda for a minimum of two years.

7.4.C COMMITTEE CHAIRS FEEDBACK – CLOSED (Verbal)

- **Audit & Risk**

Nothing to report.

7.20.O ANY OTHER BUSINESS - OPEN

None.

IL thanked the Board of Trustees for their commitment to Warwick SU during 2015 – 2016.

NP thanked the Sabbatical Team on behalf of the Board of Trustees.

Time and Date of Next Meeting: Noted.