

OPEN UNIVERSITY STUDENTS ASSOCIATION

Central Executive Committee (CEC)

19 – 21 July 2019

CONFERENCE FUNDING OPTIONS

The CEC is asked to: -

- i) **feedback** on options for funding OU Students Association's Conference.

1. Introduction

- 1.1. The OU Students Association's biennial Conference will be held over the weekend of 26-28 June 2020.
- 1.2. Conference remains an important part of our organisation's governance and operations. Conference features two main elements: the business part and the engagement/social/informing role.
- 1.3. The budget currently allocated to the 2020 biennial student conference is £200,000. Conference 2018 was delivered under budget at cost of £188,000 against a budget of £200,000.
- 1.4. 372 places were available to delegates at the face to face Conference, and 377 places at the online Conference (which includes an additional 5 places for students from the Rest of the World region).
- 1.5. Our annual subvention negotiations were held in March 2019 with the Open University, as reported on separately. During negotiations the significant cost of conference was raised, and it is believed reductions could be made as a contribution towards the University's need to make savings across the institution.
- 1.6. After the conclusion of the subvention negotiations, it was agreed with the President and VP Administration that a piece of work should be undertaken to explore the potential for cost reduction and reducing attrition, with a view to presenting some options to this meeting of the Central Executive Committee for a steer on the principle of each option with a view to only taking forward and exploring further those where there is an appetite to do so and ruling out those where is no appetite.
- 1.7. A small staff group has looked into these options, led by Amy Undrell (Projects Officer (Student Community) and Project Manager for Conference

2018, and Magda Hadrys, Head of Operations and Registration lead for Conference 2018, assisted by Alison Lunn, Deputy Chief Executive (Finance and Resources) and Rob Avann, Chief Executive. This work has been sponsored by Caroline Cowan, VP Administration.

- 1.8. This report seeks to explore this issue further by looking at two issues in particular: the reduction of costs including some potential options of receiving a contribution towards them and attempting to tackle and reduce attrition from delegates who book and don't attend, leaving us with significant cost and a lack of opportunities for other students who may have attended.
- 1.9. An early discussion on the feedback from the subvention negotiations took place at the 10 May meeting of the Board of Trustees, where it was agreed that this should be explored further. At that stage, prior to in-depth research being undertaken, there was support for looking at voluntary contributions and sponsorship as two possible routes.
- 1.10. To look at the options available, research has been conducted to identify different options to reduce costs and reduce attrition from delegates. This included looking at the following tasks:
 - Review of financial and student data from previous conferences (Appendix 2)
 - Conference 2018 student and staff feedback
 - Case studies on similar conferences
 - Initial review of 3rd Party ticketing sites

2. Objectives

- 2.1. The objectives identified following the subvention negotiations included the following for student conference 2020:
 - Reduce the overall amount spent on conference for 2020
 - Reduce the drop out rate of delegates registered to attend conference
 - Maintain accessibility for all delegates
 - Generate enough interest to fulfil national seat allocations and provide manageable waiting lists for both face to face and online conference
- 2.2. The research undertaken as outlined above has resulted in the following options being identified:
 - Refundable deposit
 - Voluntary contribution
 - Day tickets
 - Sponsorship
 - No change (Free of charge)
 - Full price tickets
 - Discounted tickets
- 2.3. The options above are summarised in Appendix 2. Four preferred options are presented in summary below for consideration, in addition no change is a marked option.

2.4. The options presented are not exclusive of one another and a mixed approach could be implemented; for example sponsorship, voluntary contribution and day tickets.

3. Options for consideration

3.1. Refundable deposit to attendees

3.1.1. Upon registration a delegate will be charged a refundable deposit to secure a place at conference.

3.1.2. Deposit will be refunded to those who attended conference. Delegates who do not attend conference will not receive a refund without agreed prior notice.

3.1.3. In conference 2018, drop out and non-attendees made up 26% of total delegates registered to attend. With a non-refundable deposit of £25.00, for example, this would amount to £2,225 of costs recovered. However, the main objective would be to reduce the number of attendees and drop outs.

3.1.4. Expected benefits of refundable deposits to delegates:

- Reduction of drop outs
- Reduction of non-attendees

3.1.5. Expected costs/issues of refundable deposits to delegates:

- Increased admin cost
- Limited impact on overall conference cost

3.2. Voluntary contribution

3.2.1. Delegates would make a voluntary contribution to the cost of conference. Suggested contribution values could be presented, however the final decision would rest with the individual delegate.

3.2.2. Upon registration students are offered voluntary contribution amounts to be specified. Students could also choose their own value to contribute should they wish. The contribution is not mandatory and is not required to register or attend Conference 2020.

3.2.3. Expected benefits of voluntary contribution to delegates:

- Gives students opportunity to pay what they feel conference is worth to them
- Does not disadvantage students that are financially challenged
- Does not reduce interest in registrations
- Reduced administrative difficulty, compared to other options

3.2.4. Expected costs/issues of voluntary contribution to delegates:

- Difficult to predict student contributions that are not guaranteed
- May raise student expectations

3.3. Day tickets

3.3.1. Delegates specify whether they would wish to attend the full weekend or specific days. Tickets (free or charged) are allocated per request.

3.3.2. No income is directly generated. As an example, should 30% of delegates attend for only one conference day, this would make an accommodation saving of approximately £24,500, based on the costs from Conference 2018.

3.3.3. Expected benefits of day tickets:

- Potential for substantial cost saving on accommodation and catering
- Gives flexibility to students who could not commit a full weekend
- Potential reduction in drop-outs

3.3.4. Expected costs/issues of day tickets to delegates:

- Makes conference planning and event participation more complex
- More demand on administration arrangements with higher attendance on certain days
- Potentially not available for Saturday due to the business section of the day. For legal reasons, there is difficulty charging delegates for the business part of the day.

3.4. Sponsorship

3.4.1. Identify and engage with corporate sponsorship to get contribution to overall conference budget.

3.4.2. Sponsorship packages could be offered which would include branding, exhibition stands, workshops, speakers, catering and refreshments.

3.4.3. Expected benefits of sponsorship:

- Potential for substantial cost savings on all conference activities
- Develop new relationships with third parties that benefit the Association in other ways
- Could add to experience, by engaging with relevant third parties for students attending
- Support for this option has been offered by the University's Development Office team to help us to source suitable sponsors and manage this approach

3.4.4. Expected costs/issues of sponsorship to delegates:

- Sponsors could be overly demanding
- May take away from overall Association Conference experience

4. Options not recommended

4.1. Continue to offer conference free of charge (No change)

- 4.1.1. Students will attend the event free of charge. Accommodation, travel, catering and evening entertainment and activities will not incur any further charge.
- 4.1.2. There was high drop out rate for conference 2018, which incurred a substantial loss.
- 4.1.3. Although students would not be finally impacted, there is a risk that further contribution from the Open University in future years will be reduced. This option would not contribute to either reducing costs or drop outs at the 2020 conference and nor would it offer the ability to have tested and learned from some options for making changes before the Association enters next year's subvention negotiations.

4.2. Full price tickets

- 4.2.1. One obvious option would be to charge the full ticket price per delegate to students upon registration. Although this would deliver conference at minimal cost, it is felt that this option would not meet our objective of accessibility and inclusivity, due to financial constraints of some students. Therefore, this option is not recommended.

4.3. Discounted tickets

- 4.3.1. A further option would be to charge delegates a discounted ticket price. Students will be charged an agreed ticket price to attend conference to cover part of the cost per delegate. The ticket cost would not be refunded. There would be a difficulty charging delegates for the business part of conference for legal reasons and it is therefore not recommended to charge for this. It could be feasible to break this up and charge a discounted rate for accommodation and evening meals, with all the main part of Conference and lunches/refreshments free to delegates.

5. Reducing attrition

- 5.1. Delegates who book and do not attend has a considerable financial impact on the conference. If the delegate is not able to give sufficient notice, accommodation and catering are mostly non-refundable. There is also another impact in that other students are not able to attend and miss out.

5.2. Table below outlines the attrition rate for the past three conferences.

Conference Year	Total students	Places offered	Registered interest	Expected Attendees	Drop-out (%)
2014	324,800	406	746	339	42 (12%)
2016	252,500	404	766	393	74 (19%)
2018	175,305	377	473	363	46 (13%)

- 5.3. Although the drop out rate has improved in 2018, there is still a significant number of non-attendees at the student conference.

- 5.4. The number of students who registered interest for conference declined in 2018 despite the conference being offered at no cost to the delegates. This was potentially due to difficulties signing up to the website.
- 5.5. Due to decline in total student numbers, but a smaller decrease in places offered, the place per student offering has substantially changed since 2014 as outlined below:
- 2014 - 406 places, one place per 800 students
 - 2016 - 404 places, one place per 625 students
 - 2018 - 377 places, one place per 465 students
- 5.6. Issues and risks for consideration:
- 5.6.1. It is uncertain at this point what student numbers will look like in March 2020 when the student conference data will be requested. The figures provided indicate a possible decline in student numbers.
- 5.6.2. In 2018, we had less interest in the conference event than before and this could be the case in 2020. Therefore, it is a risk that the Association might not have a sufficient number of students on their waiting lists to fulfil cancelled places, looking at the declining figures from the past three conferences. Overall the lack of waiting lists could mean that there will never be a full composition of delegates, or that the individual Nations will be unequally represented.
- 5.6.3. In 2018 there was a number of pre-allocated places introduced reducing the overall delegate numbers; the administration and management of these places has had an impact on the registration team by adding another level of complexity during the registration window and while the applications were being processed.
- 5.6.4. Appendix 1. provides detailed information regarding the conference registration numbers between 2014-2018. It is worth noting a massive drop in the registration numbers between 2016 and 2018; nearly 40% drop.

6. Options for considerations to reduce conference budget or to deliver on value for money principles:

6.1. Reduce conference places

6.1.1. Reduction of the total number of conference places offered to students – approximate reduction of places by 20% (from 377 delegate places to 300 delegate places) is likely to achieve savings in the region of £28,500. This calculation is based on the average cost of accommodation, catering and travel per delegate attending the 2018 Conference.

6.1.2. Benefits:

- Financial
- Staff time distributed appropriately
- Streamlined programme and planning of activities

6.2. Cost reduction by under-booking

6.2.1. Maintenance of current delegate numbers and cost reduction through under-booking of accommodation, catering and other delegate costs such as goodie bags or externally provided activities. Under-booking option is likely to achieve savings between £7,250 (at 5%) and £14,500 (at 10%) This calculation is based on the average cost of accommodation and travel per delegate.

6.2.2. Benefits:

- Financial
- Special contractual arrangements (e.g. rooms on stand-by)
- Streamlined programme and planning of activities

6.3. Value for money by over-booking

6.3.1. Maintenance of the current delegate numbers and current budget through over-booking of delegate places to achieve value for money. Over-booking is likely to support the process of having a full composition of conference delegates (100% attendance and occupancy)

6.3.2. Benefits:

- Help toward achieving 100% occupancy and conference attendance
- Optimisation of operational input according to the number of expected delegates
- Minimum waste of resources including financial resources

6.4. It is recommended that overbooking of delegates to achieve value for money would help minimise the number of delegates whilst keeping the conference at a similar quality.

7. Summary

7.1. Before the group can move forward with developing firmer recommendations and associated work on the practical implementation of them, the CEC are asked to provide their views on the options presented in this paper.

7.2. It would be helpful to work through the following options:

- Voluntary contribution
- Refundable deposit
- Day tickets
- Sponsorship

Not recommend options

- No change (do nothing)
- Full price tickets
- Discounted tickets

Options for retention:

- Reduce conference places

- Cost reduction by under-booking
- Value for money by over-booking

7.3. Using CEC members' feedback on the options, more research will be carried out to explore and make recommendations for final decision at the next meeting in October 2019.

8. Next Steps

8.1. Further paper to be presented to the October 2019 CEC for decision.

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Appendix 1. Registration and retention of numbers in 2014, 2016 and 2018

Registration and retention of numbers in 2014

2014 Conference Registration Numbers – system used – 60%/40% regional delegate places split – first-come, first-served

Total number of registrations processed – 746

Final number of delegates expected to attend (inc. guests, HLMS) – 339

Number of delegates on waiting lists – n/a

Number of ineligible delegates – 15

Number of processed withdrawals – 77

Number of students contacted with 'no space' message – n/a

Total number of dropouts – 42 (12%)

Number of no-shows without notification – 26 (7%)

Registration and retention of numbers in 2016

2016 Conference Registration Numbers – system used – first-come, first-served

Total number of registrations processed – 766

Final number of delegates expected to attend (inc. guests, HLMS) – 393

Number of delegates on waiting lists – 82

Number of ineligible delegates – 43

Number of processed withdrawals – 107

Number of students contacted with 'no space' message – 192

Total number of dropouts – 74 (19%)

Number of no-shows without notification – 59 (15%)

Registration and retention of numbers in 2018

2018 Conference Registration Numbers – system used – randomised allocation of places

Total number of registrations processed – 473

Final number of delegates expected to attend (inc. guests, HLMS) – 363

Number of delegates on waiting lists – 17

Number of ineligible delegates – 22

Number of processed withdrawals – 90

Number of students contacted with 'no space' message – 0

Total number of dropouts – 46 (13%)

Number of no-shows without notification – 43 (12%)

Appendix 2. Options for consideration

Option	Description	Example	Benefit/Cost
Refundable deposit (3.1)	Upon registration a delegate will be charged a refundable deposit to secure a place at conference. Deposit will be refunded to conference attendees, but not to delegates who drop out without prior notice.	In 2018 there was 89 (26%) drop-out and non-attendees. At a non-refundable deposit of £25, this would cover £2225 of delegate costs.	<p>Benefits:</p> <ul style="list-style-type: none"> • Reduction of drop outs • Reduction of non-attendees • Small amount of costs covered <p>Costs:</p> <ul style="list-style-type: none"> • Increased admin cost • Limited impact on overall conference cost
Voluntary Contribution (3.2)	Allow students to make a voluntary contribution to the cost of conference, providing suggested values.	Upon registration students are offered voluntary contribution of recommended rates, but it is not mandatory.	<p>Benefits:</p> <ul style="list-style-type: none"> • Gives students opportunity to pay for what they feel conference is worth to them • Does not disadvantage students that are financially challenged • Does not reduce interest in registrations <p>Costs:</p> <ul style="list-style-type: none"> • Difficult to predict student contributions that are not guaranteed • Students may end up paying different amounts which may cause controversy • Difficult to set student expectation when paying upfront
Day Tickets (3.3)	Delegates specify whether they would attend the full weekend or specific days. Tickets (free or charged) are allocated per request.	No income is generated, however 30% should attend for only one conference day, and this would make an accommodation saving of approximately £24,500.	<p>Benefits</p> <ul style="list-style-type: none"> • Potential for substantial cost saving on accommodation and catering • Gives flexibility to students who could not commit a full weekend, reducing drop-outs <p>Costs</p> <ul style="list-style-type: none"> • Makes conference planning and event

			<p>participation more complex</p> <ul style="list-style-type: none"> • Need to agree and publish conference programme earlier to ensure transparency to delegates planning a day trip
Sponsorship (3.4)	Identify and engage with corporate sponsorship to get contribution to overall conference budget.	Sponsorship packages could be offered which would include branding, exhibition stands, workshops, speakers and refreshments.	<p>Benefits</p> <ul style="list-style-type: none"> • Potential for substantial cost savings on all conference activities • Develop new relationships with 3rd parties that benefit the SA in other ways <p>Costs</p> <ul style="list-style-type: none"> • Sponsors may be overly demanding • May take away from overall 'SA' experience • Needs careful selection for social, political and economic reasons
No change Free of charge (4.1)	Continue to offer conference free of charge to students	The drop out rate for last year's conference was 26% which includes drop outs and non-attendees.	<p>Benefits</p> <ul style="list-style-type: none"> • No raised expectations on the event • Students not impacted financially <p>Costs</p> <ul style="list-style-type: none"> • No generation of income • Potential drop outs and incur future loss
Full price tickets (4.2)	Charge students the full price of a delegate ticket	Based on last year's conference figures. A ticket would cost around £354.00 for accommodation and catering,	<p>Benefits:</p> <ul style="list-style-type: none"> • Reduce drop outs • Reduce costs <p>Costs</p> <ul style="list-style-type: none"> • Reduce interest • Impact students who may not be able to financially afford it • Expectations of event increased

Discounted Tickets	Students will be charged an agreed ticket price to attend conference to cover part of the cost per delegate.	A ticket cost of £25 would generate an income of £8550. This represents the delegate paying just over 7% of the full cost per delegate. (Around £354.00 per delegate).	<p>Benefits:</p> <ul style="list-style-type: none"> • Contribution to overall conference cost in proportion to overall delegate cost • Potential reduction of drop-outs due to financial commitment on registration <p>Costs</p> <ul style="list-style-type: none"> • Reduced interest due to paid registration • Potential impact on students who may not afford ticket price • Raised expectations of the event • Conflict with charging part price, but ability to pay student travel cost
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