

**OPEN UNIVERSITY STUDENTS ASSOCIATION
BOARD OF TRUSTEES (BoT)
27 July 2021**

MINUTES

Minutes of the online meeting of the Board of Trustees (BoT) held on 27 July 2021 at 1pm via Microsoft Teams.

PRESENT

Allan Blake, External Trustee and Chair
Ian Cheyne, Deputy President
John James, Student Trustee
Sarah Jones, President and Deputy Chair
John Paisley, Student Trustee
Matt Porterfield, Vice President Administration
Mark Price, External Trustee
Claire Wallace, Student Trustee

IN ATTENDANCE

Rob Avann, Chief Executive
Gabby Cull, Head of Executive Support & Staff Welfare (minutes)
Alison Lunn, Head of Finance and Resources and Company Secretary
Sue Maccabe, Strategic Projects and Change Coordinator (item 2)
Dan Moloney, Director of Engagement
Allan Musinguzi, Head of Volunteering and Representation (item 7)

<p>SECTION A: INTRODUCTORY ITEMS</p>

A. WELCOME

A.1 The Chair welcomed the Trustees to the July BoT meeting of the year. He acknowledged the resignation of Student Trustee, Aidan Cameron and thanked him for his efforts and participation with the Board of Trustees. He wished him well for his studies.

B. APOLOGIES FOR ABSENCE

B.1 Selina Hanley, Student Trustee
Beth Metcalf, Director of Membership Services

C. MINUTES OF PREVIOUS MEETING AND MATTERS ARISING

- C.1 The Minutes (04/21/M) from the IHRA meeting in April were approved. The Minutes (05/21/M) from May BoT were also approved, subject to the discussion and further comments at item 4.

SECTION B: ITEMS FOR DISCUSSION AND POSSIBLE DECISION

1. REPORT FROM THE CHIEF EXECUTIVE/SECRETARY

- 1.1 The Chief Executive presented his regular report and highlighted an action from the previous meeting on 6 May 2021. This was a request for formal agreement that the existing Investments Working Group could assist the Head of Finance and Resources with drafting the Terms of Reference for the new Finance, Resources and Risk sub-committee. The Governance Review Implementation plan outlined that a draft Terms of Reference should be brought to the Board at the next meeting in October, with an aim to have formal approval before the end of 2021. A Student Trustee enquired as to whether the new sub-committee would have the remit for revising the organisational risk register and the Chief Executive confirmed that this was proposed to be the case.

RESOLUTION AND ACTION: The Board confirmed approval for the Working Group to assist the Head of Finance and Resources with drafting the Terms of Reference for presentation at the October Board meeting.

- 1.2 The Chief Executive then highlighted the next discussion item, which was the organisation's approach to student face to face activities after the end of July 2021. The Chief Executive and President had undertaken discussions with the CEC and the staff group, and proposed that face to face activities should not resume until Spring 2022 at the earliest, subject to ongoing review as the situation develops or changes.
- 1.3 A Student Trustee was very disappointed to hear that under this proposal there would be no student face to face activities until Spring 2022. The Student Trustee explained how crucial face to face interactions are, especially for new students and building relationships. The Student Trustee questioned the Chief Executive regarding this proposal being out of line with the University's own policy. The Chief Executive confirmed that the Open University was opting for a similar position to the Association's regarding student activities. The Student Trustee suggested that the Association would be pushing this date back more than it needs to be and that a lot could improve in six months' time. Instead, the Student Trustee suggested a review should take place in December 2021, rather than Spring 2022.
- 1.4 The Deputy President shared similar views to the Student Trustee but focused on the need for face-to-face activities to resolve differences that exist within the CEC. He outlined that progress on this can only be made in face-to-face settings as it is too easy to hide behind an online arrangement. He suggested that if we left it until Spring 2022, the current problems that exist would only get worse. VP Admin partially agreed with these two points of view but suggested a possibility of having elements of Conference 2021 as face to face to allow some social interaction to return between CEC and Trustees. Another Student Trustee expressed that the position that we

would be behind the curve compared to wider society and business, where re-opening was in full progress.

- 1.5 The Chief Executive explained that the Trustees views were very different to those expressed by CEC members and staff with many people expressing concerns over returning back to a face to face position. The President supported this, explaining her worries about returning back to social settings in person, especially as the Association has many vulnerable members who could be at risk if asked to attend events in person until the situation was clearer; the views of the more vulnerable must be taken into consideration.
- 1.6 **RESOLUTION:** After lengthy discussions, the Trustees agreed a position of no student face to face activities until at least December 2021, when the Board would review the position again. The Trustees invited the President and Chief Executive to bring forward a recommendation at that time, but emphasised the desire to return to a level of normality and an expectation that this would feature in the President and Chief Executive's recommendation at that time.
- 1.7 The Chief Executive moved on to the recruitment of an External Trustee, following Annabel Lane's resignation earlier in the year. Originally, and as discussed with the Governance Review Working Group, the Chief Executive was going to propose to Trustees that we hold off on a recruitment exercise due to his workload and focus instead on delivering the Governance Review work. However, since the recent resignation of a Student Trustee, he expressed concerns with the current level of vacancies and explained the need to recruit immediately.
- 1.8 From a skills analysis, as completed for the Governance Review, the Chief Executive proposed two areas he thought would be useful skill areas to add to the Board: Firstly, securing a Trustee with digital skills which would have been a huge help during recent work on the procurement of the new website and now the associated work on the webstore.
- 1.9 Secondly, the Chief Executive felt that the Association should recognise our major weakness with representation at Board level, particularly for Black and other minority ethnic Trustees. We had recently established the EDI Working Group and we had made bold statements about our commitment to do better in this area. He stated that the Association has poor representation at the very highest levels of our organisation which is out of line with our EDI ambitions and would need positive action to overturn this and become a much more diverse and representative organisation. He therefore recommended to the Board that the Association should make a firm commitment to recruit a Black or minority ethnic Trustee in this recruitment round, and gear the recruitment and advertising to reach out to these communities. He also recommended that the selection panel should include someone from the communities sought and he felt that our VP EDI would be great choice to help here, given her expertise and her leadership in this area since she was elected to the CEC.
- 1.10 The first proposal to seek digital skills was accepted by the Board. However, some Trustees expressed concerns with the latter proposal to be more deliberate in our recruitment efforts and bring in a Black or minority ethnic Trustee and asked the Chief Executive whether he was proposing positive discrimination in making this recommendation. The Chief Executive explained that across the charity sector this area was a major failing for many charities and boards. It required positive action to change this and overturn the barriers to representation that are present otherwise.

From the research and insight gained elsewhere in the sector, people from Black and minority ethnic backgrounds may be put off from applying when they can't see themselves represented in the organisation. Simply encouraging applications, or adding words to the recruitment documentation may not be enough on its own.

- 1.11 An External Trustee supported positive action. There was a clear gap for our governance as demonstrated by the Governance Review report where EDI emerged as a priority area. He acknowledged other Trustee concerns that we could perhaps do better with how we worded and went about achieving this aim but agreed with the principle and with the idea of representation on the selection panel. The Chair acknowledged the concerns raised. However, he concluded that this was a clear area of action needed for the Association and that VP EDI would make an excellent addition to a selection panel.
- 1.12 Many Trustees also recognised a desire for a Trustee with HR knowledge and specialism to cover the experience that had been lost with Annabel's resignation. The Chair suggested that the Association advertises for both HR and Digital experienced Trustees to gain a pool of applicants which can then be chosen from.
- 1.13 **RESOLUTION:** Trustees agreed to advertising for both specialisms to gain a greater pool of candidates, and a focus on reaching out to Black and minority ethnic candidates but not excluding applications from other backgrounds. Trustees also supported the inclusion of VP EDI as part of the selection process. The Chief Executive and Chair would now take this forward.

2. GOVERNANCE REVIEW – DRAFT IMPLEMENTATION PLAN

- 2.1 Before the Chief Executive introduced this paper on behalf of the Working Group, the Chair gave his huge thanks to all those involved in putting this significant paper together and the immense amount of time and effort which had clearly been put into it.
- 2.2 The Chief Executive opened the floor for questions on first, the behavioural governance elements of the implementation plan. The Deputy President expressed concerns over the term 'behaviour', as he stated behaviour is a symptom of the negative attitudes some people have towards each other. The Chair reinforced that it is some of these displays of unacceptable behaviour which this part of the implementation plan seeks to combat.
- 2.3 Questions then turned to the Student Leadership and Representation Structure recommendations. A Student Trustee raised concerns over the proposal to increase the number of positions across different committees and whether the proposed structure in the Governance Review report was the right one. He recognised that the Association is often struggling to fill posts; to increase the number of posts could result in an increased workload for staff to try get positions filled. The Chair emphasised that the number of positions outlined in the Governance Review is reviewable, as the proposal in the implementation plan is to consult on 'how' we implemented the changes and this is not set in stone. The Chief Executive commented that the structure proposed in the Governance Review is very similar to other student unions and so not out of the ordinary.

- 2.4 A Student Trustee outlined that she does not support every recommendation in the Governance Review report and that this was expressed in the previous BoT meeting in May 2021. She asked for a consultation to happen to decide on each recommendation at a time and expressed general concern over the amount of proposed change without proper consultation. The Chief Executive responded that the Governance Review Implementation Group are not asking Trustees to approve all the recommendations but to approve the proposed plan to consider, consult and propose what those final changes would be which would in turn need to go before Conference for final approval or otherwise.. He further highlighted that under the proposed plan, the recommendations around the Student Leadership and Representation structure would be brought back to the October Board meeting for approval, with CEC also being consulted. The Board of Trustees would then have the final say on what would go ahead. Draft changes will need to be made to the Articles of the Association ahead of Conference 2022 where clear resolutions will need to be proposed on exactly what would be changing and why, and approved by delegates.
- 2.5 A Student Trustee expressed serious concerns with the proposed actions around the Appointments Committee. She emphasised that she cannot agree with point 5.3 from the covering paper which states that *'we are unanimous in making a strong recommendation to the Board that we should implement this recommendation from the report'*. She reinforced her disappointment in that this recommendation has been presented to the board so strongly but without the Trustees being able to raise their concerns. VP Admin disagreed with this and gave context around 5.3 arguing it is correct in its wording. He clarified that the signatories are the authors of this report and it is the Working Group who were making the strong recommendation to the Board. He confirmed that it is then up to the Board to debate it.
- 2.6 A lengthy discussion took place regarding the recommendation to change aspects of the Appointments Committee. VP Admin expressed the importance of having discussions around the Appointments Committee as it is not working or functioning how it should. A Student Trustee expressed her disappointment, stating that a consultation should have happened on this recommendation and that the Chair of the Appointments Committee should have been involved in this. The Chief Executive explained that when the working group discussed this plan, they all unanimously felt that this recommendation should definitely be taken on board otherwise it would undermine the approach on all other recommendations.
- 2.7 A Student Trustee questioned the need for changes to the Appointments Committee when it has recently undergone changes. Therefore, she queried why the Appointments Committee was being made a priority and rushed through. The Deputy President commented that he was not against further changes, as the changes made previously were to resolve previous issues. There are now further issues which should be tackled through recommendations from the Governance Review. He stated that he wants this done properly to create an effective arrangement. VP Admin supported this, raising concerns over the way the Appointments Committee operates. An External Trustee expressed concerns that the conversation about this one element was taking the focus away from discussion on the wider implementation plan which was the subject of this item.
- 2.8 **RESOLUTION:** There was no agreement on this specific proposal, so the Board decided not to take the recommendation around the Appointments Committee

forward at this time. Instead, the Chair would meet with the President and Chief Executive to discuss and agree a way forward.

- 2.9 The Chief Executive asked the Board for approval to proceed with initial planning for Conference in January 2022, subject to a go/no-go decision from Trustees at the next Board meeting in October 2022 which would then allow the official notice of Conference to be published in the usual manner. The Working Group needed a decision on this so that the staff team could get working on the preparations immediately. A Student Trustee queried whether there would be a Q&A session on the business at Conference as she thought some students previously didn't know what they were voting for at Conference. The Chief Executive said he was disappointed to hear this, given the work put in by representatives, volunteers and staff at the Conferences in 2018 and 2020. He confirmed that there will be plenty of time for students to ask questions and read the business in advance. The aim was for the key information on the resolutions to be sent to delegates before Christmas. The student Trustee responded that sending packs out to delegates before Christmas is potentially bad timing and may deter students from actually reading them. The Chief Executive acknowledged the issues with the time of year, but responded to say that it was felt to be better for the packs of information to go before Christmas with longer until Conference rather than being sent in early January, close to the actual event.
- 2.10 **RESOLUTION:** Trustees approved the draft implementation plan to be put into delivery, with the **exception** of the recommended work around the Appointments Committee. The Trustees further agreed to plan for Conference in January 2022, subject to a go/no-go decision at the Board meeting in October. The Trustees agreed to have an additional Board meeting in December 2021 to approve the amendments to the Articles and the resolutions for Conference. The Trustees agreed the proposed approach to stakeholder communications to announce the decision to proceed into implementation. Finally the Trustees noted the risk assessment and mitigating actions, particularly the capacity constraints that delivering this work would have for other strategy and BAU activities.
- 2.11 A Student Trustee, sent his apologies and left the meeting due to another pre-arranged commitment.

3. **BUDGET 2021-2022**

- 3.1 The Head of Finance and Resources introduced this paper, setting out the proposed budget which can be seen in Appendix A. In summary, the proposed plan assumes some resumption of face-to-face activity but that expenditure will be up to £100,000 more than the income budget. She explained that this amount would normally be the sum designated from the 2020-21 funding allocation, as a 50% contribution to the Association's biennial Conference. The Head of Finance and Resources explained that she has projected the proposed plans forward to July 2023 and the projection indicates affordability.
- 3.2 The Head of Finance and Resources proposed a staff budget of just over £1.6 million for 2021/22. This is an increase of £214k on the current year. Details of the additions were included in the covering paper, including implications to July 2023. £93K of his increase for 2021/22 relates to the combination of the business cases set out in appendix B. The increase also includes £38k in anticipation of an increase in pension contributions; there has been positive progress with the 2020 valuation so this now looks like a worst case scenario.

- 3.3 **RESOLUTION:** Trustees approved the proposed staffing changes.
- 3.4 The Head of Finance and Resources made a proposal on core operating costs. Funds have been allocated to business as usual activities assuming c.50%-66% of activity will remain online. However there is a lot of uncertainty around these activities. Therefore, a contingency has been built into this budget which takes the Association up to the £100k excess expenditure over income. The External Trustee wanted clarification that everyone was happy with the planned in-year overspend, to which there was no objections.
- 3.5 **RESOLUTION:** Trustees approved the proposed allocations for core operating costs.
- 3.6 The third proposal the Trustees considered was the budget allocations to projects and other activities. The Head of Finance and Resources illustrated that the savings from Conference and anticipated reductions in face to face activities is providing scope for additional staffing costs, as well as funding provisions for the Governance Reforms and Association's 50th anniversary activities. £30K has been set aside as contingency, which can be used on projects that may arise throughout the year.
- 3.7 As part of the Association's 50th anniversary, the proposed budget reflects the ambition to raise £50,000 for OUSET reflected in the income budget with anticipated £50,000 income, matched with a corresponding donation. If the amount raised varies, the expenditure will match. Furthermore, the Head of Finance and Resources reminded Trustees that last year the Association budgeted for a donation to OUSET from reserves/funds generated from TOTUM. OUSET is currently undergoing a new strategy. The Chair confirmed that ,as agreed in the previous Trustee meeting, that the donation amount to OUSET would be decided following the finalisation of the new strategy.
- 3.8 The Deputy President asked about the funding that the Association had received from the Scottish Funding Council. The Head of Finance and Resources confirmed that the OU were allocated £2K from the Scottish Funding Council for spending, by end of July 2021. It is contributing to staff costs for a student support project aimed at students in Scotland.
- 3.9 The Head of Finance and Resources provided an update on the website project. She illustrated that there may potential delays due to an interruption with signing the contract. This could result in the spending moving from the current year into the next financial year instead.
- 3.10 **RESOLUTION AND ACTION:** Trustees approved the proposed budget allocations to projects and other activities and agreed to further consider a donation from reserves to OUSET once they have received OUSET's strategic plan.
- 3.11 Finally, the Head of Finance and Resources asked the Trustees to approve the contingency budget. This contingency figure of £34K is a balancing figure within the overall plan to spend up to £100K in excess of the in-year income. This provides the Senior Management team with a degree of flexibility to respond to additional unforeseen operational costs.
- 3.12 **RESOLUTION:** Trustees approved the provision of a balancing figure 'contingency budget'.

SECTION C: ITEMS FOR INFORMATION

4. MINUTES

- 4.1 Following an issue with the minutes from the previous meeting, VP Admin stated that the Trustees need to agree on how changes to the minutes are processed in future. The Chief Executive agreed, confirming that any changes to the minutes will be discussed and confirmed in the following Trustees meeting so as to avoid lengthy discussions and confusion on the forums. The final draft will then be published by the Head of Executive Support and Staff Welfare, following agreed amendments at the Board meeting.
- 4.2 **RESOLUTION:** Trustees agreed that in future, any changes to the minutes will be discussed and confirmed at the next Board meeting.

5. STRATEGY PERFORMANCE REPORT

- 5.1 The Chief Executive introduced this paper in the absence of the Strategic Projects and Change Coordinator. He immediately opened the floor for questions.
- 5.2 The External Trustee queried whether we have any benchmarking about the number of engaged students. The Chief Executive confirmed that the Strategic Projects and Change Coordinator is still working on the benchmarking, and so he hopes progress will be made on it soon. He clarified that the Association is hoping Athabasca University Students Union will be one of the most insightful benchmarks but this had not progressed yet due to changes in the staff team, both within the Association and at Athabasca.
- 5.3 **RESOLUTION:** The Trustees received the Strategy Performance Report.

6 FINANCE REPORT

- 6.1 The Head of Finance and Resources introduced this paper to update the Trustees on the financial position as at the end of June. She expects the Association to end the year with a surplus of income over expenditure of c.£503K, taking the carry forward reserve to £1,080K.
- 6.2 The cash flow forecast which reports the actuals to 30 June and forecasts to 31 July 2022. The Investments Working Group will review this in more detail when considering investment options. As of 31 July 2021, the funds available are expected to amount to £1.5m, reducing to £1.4m by July 2022.
- 6.3 Due to the continuing delays with the March 2020 valuation and uncertainty surrounding the pensions, the final carry forward will be affected by the movement in the pension deficit provision.
- 6.4 We discussed the high level of funds in the bank and whether this could affect future funding. However, after taking into account the pension deficit provision the available reserve is expected to be slightly above target; we are only where we are due to the

loss of face to face activities and events which couldn't happen due to Covid. An External Trustee suggested we may wish to allocate more funds to student services to further support students, rather than generate further increases to surplus funds.

6.5 The Chair thanked the Head of Finance and resources for her hard work in putting both the Budget and Finance report together and presenting it to the BoT.

6.6 She then left the meeting.

7. STAFFING REPORT

7.1 This item was of a confidential nature and has therefore been reserved to the confidential section of the minutes.

8 APPOINTMENTS COMMITTEE UPDATE

8.1 This item was of a confidential nature and has therefore been reserved to the confidential section of the minutes.

9 ANY OTHER BUSINESS

9.1 There were no items raised.

10 RESTRICTED DISCUSSION ITEM

10.1 The Chair of the Trustees and External Trustee left the meeting for this discussion and the President took over the chairing for this item.

10.2 Trustees were asked to consider the proposal to renew the terms of the External Trustees Allan Blake and Mark Price to 31 July 2023. All Trustees were very pleased with how they have both performed and were happy to approve the renewal of their terms.

10.3 **RESOLUTION:** Trustees agreed to renew the terms of Allan Blake and Mark Price to 31 July 2023. The Chief Executive was asked to inform Allan and Mark.

9. DATE OF NEXT MEETING

Tuesday 12 October, 1pm – 4pm via Microsoft Teams.

Action Log		
Item in the Minutes	Action	Action holder
1.6	President and Chair to place an updated statement on our position on the website.	Sarah Jones and Allan Blake
1.6	Chief Executive and President to bring back a recommendation for the future position on this at the BoT meeting in December 2021	Rob Avann and Sarah Jones

2.8	Chair, President and Chief Executive to discuss the Appointments Committee issue	Allan Blake, Sarah Jones and Rob Avann
2.10	Implementation plan to be delivered, except for the recommendations regarding the Appointments Committee. Stakeholder communications to be undertaken to announce the decision to proceed to implementation.	Governance Review Working Group
2.10	Conference go/no-go decision to return to Trustees at the October meeting. Staff team to commence planning and preparations	Rob Avann
2.10	BoT meeting to be arranged for December	Rob Avann and Gabby Cull
3.8	Trustees will decide donation amount to OUSET, once they have reviewed the finalised strategy	Magda Hadrys
10.3	Chief Executive to inform Allan and Mark	Rob Avann