OPEN UNIVERSITY STUDENTS ASSOCIATION
BOARD OF TRUSTEES (BoT)
6 May 2021

MINUTES

Minutes of the online meeting of the Board of Trustees (BoT) held on 6 May 2021 at 1pm via Microsoft Teams.

PRESENT
Allan Blake, External Trustee and Chair
Ian Cheyne, Deputy President
Selina Hanley, Student Trustee
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)
Julian Lomas, Director, Almond Tree Strategic Consulting (item 3)
Alison Lunn, Head of Finance and Resources and Company Secretary
Sue Maccabe, Strategic Projects and Change Coordinator (item 2)
Beth Metcalf, Director of Membership Services
Dan Moloney, Director of Engagement
Allan Musinguzi, Head of Volunteering and Representation (item 7)

SECTION A: INTRODUCTORY ITEMS

A.   WELCOME

A.1   The Chair welcomed the Trustees to the second BoT meeting of the year, outlining that Julian Lomas would be attending later on to present the findings of the Governance Review.

B.   APOLOGIES FOR ABSENCE

B.1   Aidan Cameron, Student Trustee

C.   MINUTES OF PREVIOUS MEETING AND MATTERS ARISING

C.1   The Minutes (04/21/M) from the IHRA meeting in April were approved.

1.   REPORT FROM THE CHIEF EXECUTIVE/SECRETARY

1.1   The Chief Executive presented his regular report and highlighted a couple of actions from the previous BoT meeting where he wanted some discussion. Succession planning was the first outlined and the Chief Executive sought guidance from the Trustees on what actions they would like him to take in relation to this following the completion of the recent recruitment exercises. A student Trustee suggested that one approach would be to identify the small number of key roles across the organisation where the loss or incapacitation of current experienced staff could present a challenge for continued performance, with a particular focus on the potential single points of failure. A plan could then be established on what actions the Association would need to take in the case of a vacancy or gap. These may include a suitable deputy within the team who could be trained up, or the need for an external solution. The Chief Executive thanked the Student Trustee for these constructive suggestions. The Chair said that he and the Chief Executive would discuss this further in their upcoming 1-2-1 meeting.

1.2   **ACTION:** The Chair of the Trustees and the Chief Executive to meet in due course to discuss this matter further.

1.3   The Chief Executive then highlighted action 7.3 from the previous meeting. The proposed Terms of Reference had been submitted by the EDI working group and these had been posted into the forum in advance of the meeting by the Head of Student Support. The Chief Executive noted that the final report from the Governance Review had reached a neutral conclusion on whether the EDI working group should be a formal sub-committee of the Board of Trustees. He asked Trustees for their opinions on this matter.

1.4   The Deputy President recognised that the difference between a working group and Committee is the formalisation of it. He advised that the simplest approach is the best one in this instance. The Chair of the Trustees proposed that discussions on this pause and re-commence after the presentation of findings from the Governance Review.

1.5   The actions from the previous two meetings had been completed, all apart from three that would be carried over.

1.6   **ACTION:** Actions to carry over: C.2 The Risk Register; 1.11 Process for the Appointments Committee – consideration to be given to what improvements can be made to the support for those subject to complaints which is underway but not yet completed and; 3.8 Succession Planning.

1.7   The Chief Executive then opened up for questions on the regular report. A Student Trustee raised concern over point 1.5 of the report – the recent resignations of an External Trustee and two CEC members. She explained that a similar situation had occurred two years ago and expressed concern over this trend. The Chief Executive

highlighted that there was a lot in the governance review around the workload of CEC members although there were specific reasons behind each of the resignations. The Deputy President, VP Administration and Director of Membership Services were working on co-option to the current CEC vacancies to help with immediate capacity while the elections review and governance review are underway. The Chief Executive highlighted that the recruitment of a replacement External Trustee was on his list to complete and he would be coming to the Trustees at a future meeting to agree a skills analysis and recruitment panel to enable recruitment.

1.8   **ACTION:** The Chief Executive to progress recruitment for the External Trustee vacancy.

1.9   A Student Trustee raised a comment with regards to item C.2, the risk register, from a previous meeting. He strongly encouraged the reviewing and developing of the risk register imminently to ensure it is not pushed back and delayed. The Chief Executive agreed that this was an important action and that he and the Head of Finance and Resources wanted to progress with establishing a new sub-committee with this as part of its remit. This sub-committee was also agreed and proposed as part of the recommendations from the Governance Review.

1.10   A Student Trustee asked if there were any updates in regard to the Association's relationship with Athabasca University Students' Union (AUSU). The Director of Engagement confirmed that work is still progressing but due to Athabasca having a turnover of staff and elected representatives, there has been a slight delay with communications. The Director of Engagement had followed up with their Chief Executive before the meeting to try and arrange a further meeting. One area of particular interest which had arisen was that AUSU had their own app and the sharing of knowledge and learning around this could offer valuable input into our own App pilot project.

1.11   The Chair of the Trustees raised point 2.1 relating to recovery planning. He stated that a key discussion to be had was around whether CEC and Board of Trustees meetings should continue online or if they will return to face to face. It was noted that discussions had been held on this subject at the recent CEC meeting and understandably there were mixed views. It was further highlighted that decisions on this had a huge bearing on the draft budget for 2021-22 and beyond.

1.12   **ACTION:** The Chief Executive, President and Chair of the Trustees to meet to discuss the future of CEC and Trustee online meetings.

1.13   The President updated the Trustees on the ongoing issues with the Associate Lecturer contracts issue.

1.14   **RESOLUTION:** The BoT noted the Chief Executive's report.

2.   STRATEGY PERFORMANCE REPORT

2.1   Sue Maccabe, Strategic Projects and Change Coordinator was in attendance for this item to present the strategy performance report. The report was structured into three sections as usual, the KPI and metrics analysis, an update on strategy projects and an update on staff team business plans. She highlighted the vast progress that has been made and that is continuing to be made as we hit halfway on the strategy

timeline. The positive trends with the KPIs were outlined, with new and returning visitors to the website and the Hoot, social media engagement, membership levels for Clubs, Societies and Groups and active volunteer numbers all showing the greatest increase. The Strategic Projects and Change Coordinator was pleased to see that despite the challenges associated with the Covid 19 pandemic, strategy projects are still progressing, with more projects being initiated currently. She credited all those individuals who have been involved in the projects and thanked them for their continuous hard work in keeping the projects moving along.

2.2   An External Trustee was likewise very pleased to see the progress that has been made. He proposed that the relationship with AUSU could help with benchmarking and targets for some of the KPIs. The Strategic Projects and Change Coordinator confirmed that the KPI working group met this week and identified five main benchmark comparators that the Association wants to use. AUSU was one of these benchmarks and will provide insightful comparisons, particularly as they are an institution which more closely mirrors the Association. Other benchmarks identified were the MarComms unit in the OU for the MarComms metrics, and other membership organisations. Some team members in the KPI group also have valuable connections to individuals within key institutions such as the NUS. The Strategic Projects and Change Coordinator did, however, recognise that caution is needed when it comes to triangulation of points of reference and demonstrated the difficulty in getting a direct comparison.

2.3   A Student Trustee queried the increase in the number of clubs, which has seen numbers rising from 56 to 76. The Strategic Projects and Change Coordinator explained that Clubs, Societies and Groups have all seen a big upwards trend, which is partly due to the pandemic. There is now an even greater need for students to connect, which validates the positive trends across all community metrics.

2.4   Another Student Trustee drew attention to the OUSET applications metric. She outlined the decrease in successful applications but proposed that the number of applications which are submitted be included as a part of this metric. She explained that having the total number and percentage of successful applications would be more helpful. This was agreed.

2.5   A further Student Trustee enquired about the thought process behind the App, and wanted some clarification on how the new website, social media and the App will be connected. The Director of Engagement explained that the App could provide a great way for general engagement and will enable the Association to connect with students in a much more convenient way. He also stated that students don't feel they have a safe space to connect and there's a lack of community – the forums are often contentious and repeatedly used by the same people and there are continuous issues with interactions via social media. The App seemed like the logical next step and the opportunity for a pilot that had been brokered with the OU's digital strategy work was a significant chance to see if such a service could work for students and allow the Association to better meet student needs to connect and be part of a community with other students. The Director of Engagement confirmed that the App proposal has been approved by the University's test and learn working group and will then go to the Digital Strategy Steering Group (DSSG) soon for the trial of the 'off the shelf' app. The new website provider, MSL, also creates apps so this could be something that the Association considers.

2.6   Trustees noted the report and thanked the Strategic Projects and Change Coordinator for the thorough report. The Strategic Projects and Change Coordinator then left the meeting.

3.   GOVERNANCE REVIEW

3.1   Julian Lomas, from Almond Tree Strategic Consulting joined the meeting for this item. He presented the findings from the governance review which had been ongoing for the last few months. The brief given was to review the current governance structure with particular reference to the transparency and suitability of governance processes and procedures, the adequacy of roles and responsibilities of decision makers and decision making bodies, suitability of election procedures and appointment processes and inclusivity and equality. Some key foundational strengths were identified in the findings such as levels of commitment and expertise of individuals, levels of probity and approach to safeguarding but ultimately the findings concluded a critical failing in behavioural governance. It was this failing in behavioural governance which was undermining the good governance of the Association and is then in turn a significant barrier to equality, diversity and inclusion and improved representation of the fuller student body. There were also considerable structural weaknesses regarding the CEC, together with substantial concerns around workloads of reps, the way that election remits are designed and agreed by the incumbent post-holders and the lack of turnover and term limits. The current Conference did not have a clear role and was poor value for money in its current form. Julian illustrated that there is opportunity for structural reform to help address these issues, such as a new student leadership and representation structure, electoral reforms, reform of the selection process for the Board of Trustees, an improved and re-focused committee structure and replacing business at Conference with online AGMs instead.

3.2   The Trustees thanked Julian and his team for their hard work in conducting this review and the thorough report and detailed presentation of findings, which the Board noted had previously been presented to both the CEC and the staff team. Julian detailed the comments that had been raised in these sessions. The Chair outlined that until the behavioural issues get sorted, successful implementation of the recommendations is under threat. He illustrated a need to hold individuals to account but recognised that changing behaviours will be a challenge as it is a culturally embedded issue and will take time to resolve. He welcomed questions from the other Trustees on this and the other findings.

3.3   The Deputy President explained a need for a clear vetting process and for the student representatives to be informed on all positions that the CEC have on things, as it will reduce the fuel for debate. A Student Trustee expressed caution when it comes to using behavioural issues as the reason to make structural changes. Julian confirmed that structural changes would not, by themselves, help with behaviour issues. There needs to be clear expectations and rewarding those for good behaviour. Without behavioural issues being addressed, structural changes won't make an impact on this. However, there was also a need for structural reform and it was noted that some of the structural changes would certainly help with the behavioural governance aspects.

3.4   A Student Trustee commended Julian on this excellent piece of work. However, she highlighted the lack of a One Team approach and stated that the recommendations from the culture review are yet to be fully implemented. The President explained that

the work surrounding One Team had been paused earlier in the year for a number of reasons. However she confirmed that she was working with the Deputy President and the Director of Membership Services to re-invigorate the culture review group and One Team working would be picked back up as a key action. The Governance Review findings offered a new impetus to this work and to other suggestions made in the report. She further stated a need for a zero-tolerance approach and consistency when challenging bad behaviour. The Chief Executive supported this, explaining that there needs to be more help given when challenging bad behaviour and we need to ensure some externality on complaints panels to help make better decisions in order to re-build confidence in the processes. The Association can't keep accepting it, otherwise the same individuals will remain within the organisation. He stated that the Association needs to give off a better impression of itself and a true zero tolerance approach in order to attract newer student representatives and create the diversity needed in representation.

3.5   Several Student Trustees welcomed the proposal for appointing student trustees rather than electing them. In doing so, it may increase the spread of relevant professional skills amongst the board. One Student Trustee expressed the importance for student trustees to be selected based on what skills they can bring to the board, to encourage diversity and become more representative of its students. Another Student Trustee supported this change outlining the issues with leaving the selection solely up to the democratic processes.

3.6   Another recommendation was to limit terms to two consecutive terms (4 years) in any one role and to three consecutive terms (6 years) in total before requiring a two-year break to be taken. A Student Trustee questioned whether this rule would apply to CCRs too, to which Julian outlined that all committees and groups such as the Senate Reference Group (SRG) would benefit from this rule as it would ensure a valuable turnover of representatives and give new students a chance. A Student Trustee was concerned that this would throw out a wealth of experience. Julian stated that their recommendation is a maximum of 6 years before a 2-year break, which would allow individuals to re-apply following this break which was not uncommon in other organisations. The President supported this recommendation.

3.7   The Chair asked the Trustees and Julian what the priorities should be. Julian commented that his suggestion would be to prioritise the behaviour governance changes. He also advised that the elections recommendations should be implemented soon, to save time on elections-related admin, which has previously been time-consuming for staff. This included busting the myth of experience, which lurked behind so much of the animosity around elections and representative appointments.

3.8   Trustees unanimously agreed that behaviour needs to be tackled and should take priority so as to allow the successful implementation of the other recommendations. The Chair also proposed that the EDI aspect needs accelerating. Many trustees re-enforced the need to engage younger members into the Association. Whilst there was a feeling that experience is needed amongst the Association, an External Trustee emphasised that you'll never be able to attract younger students if you don't offer them a chance in the first place. The President supported this, stating that she came in with no experience but through the support and mentoring from other more experienced volunteers and staff, she has been able to grow her knowledge and gain confidence in her roles. Challenges surrounding younger students were considered, such as them often having full time jobs and parenting responsibilities which meant

that the new representative roles would need to be designed to be less demanding and less restrictive.

3.9   The Chair then asked for comments from the board surrounding the structural issues. Many Student Trustees favoured reducing workloads as the priority. Through tackling student representatives' heavy workloads, there is hope it would reduce the number of resignations as this has played a factor in many resignations previously.

3.10   A Student Trustee expressed concern over the recommendation to remove the AGM aspect of the biannual Conference. He outlined that without the business element of Conference, the event would lose its structure and purpose. He was also worried that the student representation forum may not work how it was intended to, and that if members of this group didn't want to help the student leadership team with workload, it would result in a smaller team having an even greater workload to deal with.

3.11   **RESOLUTION:** The Chair rounded up discussions, confirming with the Board that the Trustees were supportive in principle of implementing the majority of these recommendations in full, with behaviour governance and EDI taking precedence.

3.12   The Chief Executive identified the need for a route map of how the implementation process will be carried out, as there was a huge amount of work involved in progressing these recommendations. He reminded Trustees that many of the recommendations, including those on structural reform, would need to go through Conference as resolutions because they required sweeping changes to the Articles of Association. This would require support across the Trustees, CEC and staff group to progress the development and implementation and ensure strong communications to members to take them on the journey of change and detail the rationale long before the matters are put to the vote at Conference. The Governance Review Working Group had begun to think through the next steps here, which may include the need to bring Conference forward to allow the structural changes to be made before the elections in Spring 2022. Otherwise he highlighted that should the Association not make these changes in time, we would be left with a newly elected group from the Spring elections coming into a structure which was in the process of being dismantled and changed for the future which was not the right way to proceed.

3.13   **ACTION**: The Governance Review Working Group to meet to create this implementation route map and bring it back to the next meeting of the Trustees in July 2021, detailing how the key recommendations are planned to be delivered for Board approval.

4.   FINANCE REPORT

4.1   Alison Lunn, Head of Finance and Resources introduced this paper and highlighted a couple of important points to the Trustees. The first point raised was in relation to point 2.4 in the paper - the trading account and the small charitable tax exemption limit on turnover up to £80k. The Head of Finance and Resources advised that the turnover remains buoyant. The forecast for the year is for turnover to exceed the budget by around £8k. She further explained that it could actually surpass the £80k as there are some virtual graduations over the next month, and their likely impact on the shop's turnover is unpredictable. If the Association exceeds the £80k threshold, profits should still be exempt as the Association should pass the HMRC Charitable Reasonable Expectations test. This means the Association would be able to clearly demonstrate that over this period, it was reasonable to expect that our turnover would

not exceed the limit. She further explained that it is also reasonable, given that this is the first year of trading within the charity and the unpredictability arising from the pandemic, to wait and see if any excess is likely to be sustained or a one-off. The Head of Finance and Resources outlined that if we anticipate a probability of exceeding the threshold on an ongoing basis, then it may be necessary to re-establish the subsidiary. The Finance and Resources team and the OU Students Shop working group will continue to monitor this closely.

4.2   The second point raised by the Head of Finance and Resources was in relation to section 6 of the paper– USS pension matters. She stated that Universities UK (UUK) were inviting employers participating in the scheme to respond to their consultation. This came in response to the USS Trustee publishing three possible contribution rate outcomes, all of which would result in an increase to the total current contribution rate of 30.7% (scenario 1: 56.2%; scenario 2: 49.6%; scenario 3: 42.1%). Scenario 1 is the USS' default position and scenario 2 has now been submitted to the JNC for consideration. UUK's consultation sets out proposals that would retain the current total contribution rate of 30.7% but would require compromises from all parties (USS, employers and participating employees).

4.3   The Chair emphasised the challenge that these uncertainties are causing staff. He suggested that for staff who choose to opt out of this scheme, they should be given the opportunity to have a defined contribution (DC) scheme instead. The Head of Finance and Resources emphasised that under the current agreement with USS, the Association can't offer staff any alternatives but that we have been advised we could explore with USS a change to our agreement that would allow us to offer an alternative scheme to new employees only. She further advised though that consideration of alternative levels of participation in the scheme are part of the UUK consultation. The Head of Finance and Resources proposed that a working group should be established if Trustees would like to explore this further.

4.4   An External Trustee raised concern that if you offer an alternative to new staff, it leaves more problems for current staff on the scheme to deal with. There needs to be a balancing act between new employees and existing ones.

4.5   The Head of Finance and Resources made the trustees aware that the OU are responding to UUK's consultation but currently we are unaware of their position, although they have been running some very useful 'Your Questions Answered sessions' to inform employees and seek their views on the consultation proposals. The External Trustee emphasised the benefits of knowing the OU's position on this matter and seeing if they would share their draft consultation response with us. We would then decide whether we would lend support to the OU's position, or whether a separate response would be required and in our best interests. He proposed that we should gain insight into their position before we press forward.

4.6   **ACTION:** The Head of Finance and Resources to contact the OU and try to gain an insight into their position on this matter including the sharing of their consultation response, which had been done previously. The Chair further proposed that once received, the Investments Working Group would be best placed to consider this matter further and he asked the working group to re-convene to deal with this specific matter. The members of the Investments Working Group understood that this would be an extension of their remit but agreed to look into this and report back to the Chair outside of the meeting.

4.7 **RESOLUTION & ACTION:** The Investments Working Group to receive insight and a greater understanding of the OU's stance before deciding whether to submit a response to the consultation.

4.8 The Head of Finance and Resources presented the draft summary budget plan and requested approval to continue to work on the detail, within the parameters suggested by the outline plan, as decisions arising from the Governance Review, staffing matters and recovery from the pandemic are made.

4.9 **RESOLUTION:** Trustees approved the proposal made by the Head of Finance and Resources with regards to developing the draft budget within these parameters and on the understanding that a final budget plan would be presented at the next meeting.

5. INVESTMENT WORKING GROUP REPORT

5.1 Alison Lunn, Head of Finance and Resources presented this item alongside the External Trustee and Chair of the Investments Working Group, Mark Price. It was illustrated that the current investments policy of holding cash at hand in current and/or short notice deposit accounts means that the value of this cash is eroded over time. The Investments Working Group Chair further stated that whilst the aim is to protect the value against inflation, the overriding aim is to maintain liquidity. He further advised that the Association would get a better return from longer term investments, but this would mean tying up funds for at least 5 years. To inform investment decision making, he advised the Head of Finance and Resources would begin to build a cash flow forecast to improve on predicting how much cash the Association has that is surplus to requirements both in the short and longer terms and to identify funds we might safely invest into longer term multi-asset funds, for example.

5.2 **ACTION:** The Head of Finance and Resources will add a cash flow forecast to the finance reporting pack.

5.3 Trustees discussed delegation of authority in respect of the policy. For now, it was agreed that the Investment Working Group would remain in place to explore available investment options and make recommendations to the Board, but that the Board would make the final decision.

5.4 **RESOLUTION:** The Trustees approved the investments policy, subject to changes being made in relation to the level of delegated authority as described above in 5.3.

5.5 **ACTION:** The Head of Finance and Resources and the Investments Working Group to take this forward.

5.6 The Head of Finance and Resources left the meeting.

SECTION C: ITEMS FOR INFORMATION

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6   STAFFING REPORT

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

7   APPOINTMENTS COMMITTEE UPDATE

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

8.   DATE OF NEXT MEETING

Tuesday 27 July, 1pm – 4pm via Microsoft Teams.

Discussions will continue online in the meantime.

Action Log		
Item in the Minutes	**Action**	**Action holder**
C.2 (Oct 2020) Carried forward	Association Risk Register to be updated and new sub-committee to be formed	Rob Avann and Alison Lunn
1.11 (Nov 2020) Carried forward	Process for the Appointments Committee – Consideration to be given to what improvements can be made to the support for those subject to complaints	Ian Cheyne and Beth Metcalf/Allan Musinguzi
3.8 (Nov 2020) Carried forward	Succession Planning	Rob Avann
1.2	The Chair of the Trustees and the Chief Executive to meet in due course to discuss succession planning.	Allan Blake and Rob Avann
1.8	The Chief Executive to progress recruitment for an External Trustee	Rob Avann
1.12	The Chief Executive, President and Chair of the Trustees to arrange a meeting to discuss the future of CEC and BoT online meetings.	Rob Avann, Sarah Jones and Allan Blake
3.13	The Governance Review Working Group to meet to create this implementation route map and bring it back to the next meeting of the Trustees in July 2021, detailing how the key recommendations are planned to be delivered for Board approval.	Governance Review Working Group: Sarah Jones, Mark Price, Matt Porterfield, Rob Avann
4.6 and 4.7	The Head of Finance and Resources to contact the OU regarding their position on the pensions matter to see if they would share their draft consultation response with us. The Investments Working Group to convene again to consider this draft response and agree a recommendation on next steps, reporting back to the Chair.	Alison Lunn and Investments Working Group
5.2	The Head of Finance and Resources will add a cash flow forecast to the finance reporting pack.	Alison Lunn

| 5.5 | Draft Investments Policy to be amended in line with feedback and the Investments Working Group to consider next steps. | Alison Lunn |