

DURHAM SU BOARD OF TRUSTEES
MINUTES OF A MEETING OF 7 DECEMBER 2022

Members present: Clare Powne, Graeme Osborn, Jack Ballingham, Dhillon Shenoy, Charles Lawrence, Deborah Acheampong, Hannah Sketchley, Laura Curran, Joshua Freestone, Joseph McGarry, Caragh Aylett-Bullock, Qiandong Zhou

In attendance: Gareth Hughes, Rebecca Henderson, Georgi Lambert, Kirsty Morrison, Martin Horrocks, Lauren Hodgson (minutes)

Apologies: None

Any underlined text is confidential and for Board members only and will not be included in the open papers published on the website.

Usual business

1. Opening of the meeting

NOTED: no apologies, conflicts of interest, or any other urgent business

2. Minutes of the previous meeting, and actions

APPROVED: minutes of the last meeting on 19 July and 2 November 2022, with minor amendments and noting of actions.

3. Reports from Committees

RECEIVED: the draft minutes of the last meeting and **CONSIDERED** decisions made by a Committee on behalf of the Board not otherwise appearing on the agenda.

People and Governance Committee met on 9 November 2022. The Committee agreed a light touch approval process for the renewal of current policies and reviewed the draft Code of Conduct, which is a agenda item for this meeting. The Committee welcomed the work Durham SU had done around cost-of-living for staff and student.

There had been no meeting of the Sustainability and Risk Committee since the last meeting.

4. Chief Executive's Report

NOTED: the report from the Chief Executive on actions taken since the last meeting of the Board of Trustees and emergent issues requiring the trustees' attention.

Aditya Lathar had resigned as Postgraduate Academic Officer. Article 92 prevents Durham SU from replacing the representative role through democratic means. Thea management team has responded by seeking postgraduates who wish to attend institutional committees as Durham SU representatives and allocating resources to projects focussed on postgraduates. Durham University has agreed that the Welfare and Liberation Officer will take up the seat at Council and Senate and any other appropriate body.

Durham SU Officer elections for the 2023/2024 academic year are due to take place in February. There may be an option for the PG officer-elect to take up the trustee position in February for a six-month term, and a review of the relevant regulations would go to People and Governance Committee for decision.

A preferendum was held to allow students to vote on industrial action at Durham University, which was executed very well, with 1498 votes which was over quorum. The result was that students supported industrial action. The next steps are to look at what this means and what we at Durham SU need to do with the outcome.

Peridot Partners were engaged to search for candidates for a lay trustee vacancy, and there have been seven good applications which will now be shortlisted and interviewed.

Durham SU and Durham University met last week for their first Strategic Collaboration meeting. The first meeting was mainly a discussion on how meetings will work, and the next meetings will be more constructive and will look at more in-depth issues.

5. Finance Report

NOTED: the Finance Report for period 3.

The management accounts to 31 October 2022 were presented to the board, and there had been little movement since the last meeting. There are salary savings of £16k due to vacancies of HR Coordinator and Postgraduate Academic Officer.

Commercial performance is acceptable but could be improved by increased evening sales. The venue is very busy during the day when operating as a café. At the end of the first quarter, a very small amount of profit has been made, at £1k, which is aided by the certainty of income from Native media sales of £50k and the Kings Church residency in Dunelm House of £22k.

Strategic development business

6. Durham SU Strategy

DEFERRED: the near-term priorities within the Durham SU strategy.

The trustees noted that the serious incident report had derailed the opportunity to review the Strategy as anticipated. The Chief Executive hoped to share an update paper electronically before Christmas Paper, but noted the uncertainty of next steps and limited capacity.

7. Governance of Palatinate

NOTED: a Serious Incident Report made on 22 November 2022.

Good governance business

8. Report from Auditors

APPROVED: the report of the Auditors

Craig Henderson from Haines Watts explained there were no recommendations, and no concerns regarding the organisation being a going concern. No observations were made on systems and controls this year, which is very good.

Durham SU has a good relationship with the University, and a block grant has been agreed over three years. The trustees agreed that Durham SU was a going concern. There had been an increase in income and expenditure, as operations rebuilt. The trustees noted that designated funds should be considered, in terms of the Reserves Policy.

The Chair thanked Haines Watts and the Finance Team for their work and said it was good to have such a clean report.

9. Code of Conduct for Student Members and Disciplinary Policy

APPROVED: a Code of Conduct for Student Members and a Disciplinary Policy, with a note that Assembly will review and approve the same at a meeting on 8 December 2022.

People and Governance Committee reviewed the Code of Conduct at their last meeting and agreed that it would be better to split this into a Code of Conduct and a separate Disciplinary Policy. Assembly could properly be consulted on what standards of behavior students could expect of one another.

Sections 1-5 (Code of Conduct) may be subject to amendments at Assembly, and these would be circulated if necessary, but the Disciplinary Policy was approved.

10. Financial Policies

APPROVED: Financial Policies.

The Finance Manager said support was required for delegated authority for the creation, review, and amendment of the operational policies and procedures to the senior staff, for reporting to the trustees in Committee.

A new Reserves Policy was proposed. The Reserves Policy currently states a required level of three months running costs, a suggested target of £260k. Durham SU had managed to get through a global pandemic without going much below two months running costs, which suggests this may now be a more appropriate level. The level required by policy would be reduced to £200k, two months' running costs of £170k, plus a cushion of £30k for contingencies or additional activity requirements. Reserves are not currently at this level, so will need to be built back over three years. This will be reviewed in one year. The proposal has been discussed with Auditors, who agree the suggestion is reasonable.

The Board's preference for the Reserves Policy would be to stay at three months; with the current commercial uncertainty and economic climate, it would make sense to confirm a three month target, built up over five years. This policy would be reviewed after two years, at which point two months of reserves should have been achieved.

It was requested that 'senior staff' should be clearly defined, at Grade E and F.

11. Review of Banking Arrangements

DEFERRED: the conversion of two 32-day call deposit accounts to six-month call deposit accounts and the closure of the HSBC account, and the transfer of funds to a 32-day recall account with Lloyds Bank.

As interest rates increase, Durham SU could achieve some small return on investment if it transferred more money in fewer banks, in a 32-day recall deposit account with Lloyds Bank. The risk would be minimal, given the strength of the bank, and two accounts would be suitable. This would lead to the closure of a little-used HSBC deposit account.

The Chair suggested that it may be better to explore having an account that doesn't require a current account with another bank before moving to one provider. The Finance Manager will explore options and confirm if this is possible. An update would be brought to the next meeting of the Sustainability and Risk Committee, confirming the final arrangements.

12. Nomination of Returning Officer

APPROVED: the nomination of Peter Robertson to be Returning Officer subject to approval by Assembly at a meeting on 8 December 2022.