

# DURHAM SU BOARD OF TRUSTEES

## MINUTES OF THE MEETING 20 JANUARY 2020

### *Members present*

Anthony Baker, Clare Powne, Chris Nash, Oliver Colling, Jess Madden, Kate McIntosh, Amelia McLoughlan, Jess Dunning, Sam Johnson-Audini, David Evans, Poppy Azmi, Tom Pymer

### *In attendance*

Gareth Hughes, Kirsty Morrison, Martin Horrocks, Lauren Hodgson (minutes), Rebecca Henderson, Kathryn Sullivan

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 items*

#### **1. OPENING OF MEETING**

*Received:* apologies from Caragh Aylett and Georgina Lambert

*Noted:* no conflicts of interest, no notification of any other urgent business.

#### **2. MINUTES OF THE PREVIOUS MEETING AND MATTERS ARISING**

*Accepted:* the minutes of the meeting held on 25 September 2019, pending amendments to attendees and GMB recognition sections.

*Action:* LH

#### **3. REPORTS FROM COMMITTEES**

*Received:* a report from each of the Board's Committees.

CP gave an overview of the People and Culture Committee, which approved a revision of Standing order C, adopted the new Election Rules, interpreted the new rules, and agreed that clauses 18, 19 and 20 could have no effect. The Committee agreed to consult with the staff team on a Staff Protocol, which has 2 weeks remaining. The Committee noted the outcomes of the Chief Executive's 2019 Be at Your Best Review and approved the Chief Executive's Objectives. The Committee approved development of a proposal for presentation of a revised set of Articles of Association to the Board.

OC gave an overview of the Performance and Delivery Committee. This meeting was not quorate, therefore decisions taken by the members present are advisory only and appear on the Board agenda. The trustees present considered the Reserves Policy and recommend the policy to the Board. The trustees present expressed confidence in the Accounts, and the Chair recommended that the Auditors attend the Board meeting to present their report. The trustees present agreed that the discussion in the paper provided an appropriate reflection on the strategic risks presented to Durham SU, and asked the management team to complete a full assessment for the April Board meeting.

CN gave an overview of the previous Fundraising Committee. The projected disbursement of £38k of University funded grants to support student group activity was discussed, as well as the resources already held by groups, some of which appear excessive; one of the aims is to reduce the larger balances over time. There was discussion of DUCK's activities for the year.

The Committee discussed the administration charge made against fundraising to enable appropriate support, and the enhanced reporting of restricted funds provided for the new committee. The Committee agreed that it should plan work in its inaugural year to document compliance with the Fundraising Code such that Durham SU could feel confident to sign up if desired. The Committee requested expert externally facilitated training, to ensure planning was properly understood and prioritised. The Committee supported an initial interest bid into the Carbon Action Fund. The Chief Executive presented a discussion paper to form the basis of discussions with the Durham University Chief Financial Officer on a new multi-year block grant funding agreement, to take Durham SU to the end of the current plan, and into the beginning of the next. The Committee agreed the parameters of the discussion.

#### **4. CHIEF EXECUTIVE'S REPORT**

*Received:* the Chief Executive's report on Durham SU's performance since the last meeting.

GH explained that a more hands-on approach had been taken to managing Durham SU's operations throughout November and December due to the unanticipated industrial action by the UCU and the general election. The disruption to planned activity was minimal but, inevitably some work was deprioritised.

Performance data was tabled in the meeting showing KPI's for core services and progress update from each business unit.

A commercial recovery plan has been discussed at PDC, which is now in progress. Further options for longer-term options for Durham SU's independent income streams and student social spaces will be discussed and presented at the next PDC meeting.

GH met with Stephen Willis, Chief Financial Officer at Durham University to discuss the new grant application and has been asked to put together a three-year proposal.

The Trustees had a separate paper on the risk presented by Durham Inter Collegiate Christian Union (DICCU). GH has requested legal advice and will be entering into mediation soon.

#### **5. FINANCE REPORT**

*Received:* the Finance Report on Durham SU's financial situation, including the management accounts to period 5 (December 2019).

MHo explained that the November accounts show a deficit which will continue to grow in December and January. This is largely due to Commercial activities not taking off as expected. The Commercial team have put together a recovery plan, which was present at PDC in December, the benefits shown in February's accounts.

AB asked if there were areas that could be cut back to save money. MHo explained that there were certain aspects of business expenditure which could be cut back on but not sure if this is needed just yet.

DE asked what the time frame for the recovery plan would be and when this would be reported. MHo stated that an update would be provided at the next PDC meeting on 18 March. OC commented that PDC were happy with the recovery plan and that it had been discussed in detail.

## Good governance items

### 6. THE DURHAM SU ANNUAL REPORT 2018/2019, INCLUDING THE REPORT OF THE DURHAM SU AUDITORS

*Approved:* the Durham SU Annual Report 2018/2019, including presentation of the audited statutory accounts by Haines Watts.

Donna Bulmer and Gillian Benjamin presented the report and stated that audit was now complete and the resulting report along with the annual plan showed the findings of the audit. An unqualified audit opinion has been provided which shows a true and fair view of what is going on in the organisation. A review of where attention should be focussed noted that the grant income should be a priority and maintaining the relationship with the University. Retrospective discounts will not be paid back and will now be allocated to development work within colleges. Bank signatories need to be updated to current signatories.

Annual report shows a surplus of £146,000 which includes £110,000 retros. There was an overspend in unrestricted funds and student group money needs to be spent as these funds should not be growing. Overall the balance sheet shows a strong position financially.

DE asked how 6 casual staff had been calculated as there were a lot more than this currently working at Durham SU. MHo confirmed that this was calculated on a full-time equivalent basis.

### 7. A PROPOSAL TO AMEND THE ARTICLES OF ASSOCIATION

*Approved:* a proposal to amend the Articles of Association following consideration by People and Culture Committee.

Durham SU and Durham University previously considered the Articles of Association in January 2019 as part of a scheduled review. The review found that broadly the Articles were fit for purpose, but some amendments would be desirable. The Articles required that a referendum of student members endorse a proposal to amend they are put forward. The necessary two-thirds majority of student members in support was not achieved. PCC have considered the proposal to amend the Articles of Association and recommends a consultation process in advance of a further referendum in spring 2020. PCC also recommended that further amendment is desirable of Article 3, which prevents affiliations to religious organisations and political parties, and the process by which student trustees are appointed to the Board, described in Articles 48, 49, 50, 90 and 91. GH proposed a five week timeline.

TP noted that the paper stated student trustees would be elected but 4.2 seems to say otherwise. GH replied that the Standing Orders provide for student trustees to be elected and this would remain the case as the amendments would allow innovation in the future but would not change practice in the present; Assembly would be required to approve any changes and none were proposed at this time. SJA thought this would still be a democratic process but we should adapt our work, and a cross-campus ballot may not be the best method

### 8. DURHAM SU CODE OF PRACTICE

*Recommended:* to the Durham University Governance and Nominations Committee, and then to Council, that the Durham SU Code of Practice be amended.

A joint Durham SU and Durham University working group had considered the Code of Practice and recommended revisions. The University Secretary and Chief Financial Officer supported the proposal. Following the Board this would be taken to University Governance and Nominations Committee on 24 January, for implementation from 1 August. The Code of Practice is property of the University Council, so the Board is not asked for its approval.

*Information items*

**9. ASSEMBLY REPORT**

*Received:* the reports from the meetings of Assembly held on 7 November 2019 and 3 December 2019.

**10. DICCU**

*Received:* an update on risk management measures taken in response to the registration of the student group the Durham Intercollegiate Christian Union (DICCU).

**11. STUDENT GROUP REGISTRATION**

*Received:* an update on student group registration in Michaelmas term 2019.

**12. ELECTIONS STANDING ORDER**

*Approved:* an amendment to the Standing Orders on the recommendation of People and Culture Committee, with the interpretation of Standing Order C18 to 20 as noted in the paper.

**13. RESERVES POLICY**

*Approved:* a reserves policy on the recommendation of Performance and Delivery Committee.  
Bank Mandates

*Approved:* the signatories to the Durham SU Bank Accounts.

Following the business of the agenda, the trustees held a private session to consider the resignation of a student trustee and Committee membership.