

DURHAM SU BOARD OF TRUSTEES

MINUTES OF THE MEETING 29 MAY 2020

Members present

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

In attendance

Gareth Hughes, Kirsty Morrison, Martin Horrocks, Lauren Hodgson (minutes), Rebecca Henderson, Georgina Lambert

Apologies

Oliver Colling

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Usual business items

1. OPENING OF MEETING

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

2. MINUTES OF THE PREVIOUS MEETING AND MATTERS ARISING

Accepted: the minutes of the meeting held on 9 April 2020.

3. REPORTS FROM COMMITTEES

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

CP gave the People and Culture Committee Report.

The results of the Employee Engagement Survey were reviewed and the Committee approved the priorities outlined in the report which included diversity in the workforce, internal communications, performance and pay reward. The Committee welcome the strong performance demonstrated in the survey results.

Leave, Equality and Inclusion, and Performance Management policies were approved and are now out for staff consultation, and Learning and Development and Dignity at Durham policies were finally approved. The Committee had also approved an amendment to the Safeguarding Policy to clarify responsibility on child safety. CP also presented an update from the Student Trustee Development Ad Hoc Committee. Attention is currently focused on the selection of student trustees rather than cross campus election.

CN provided an update from the Fundraising Committee which had agreed that the DUCK charge will not be collected this year as there will be reduced activity and this also needs to be considered for the coming financial year also.

The Committee was also creating a working definition of 'affiliation' reflecting a commitment in the Code of Practice to declare all affiliation. A reduction in excess society fund balances hasn't yet been addressed due to current situation and more urgent issues needing to be dealt with.

As OC had sent apologies, GL gave an update for Performance and Delivery on behalf of the Chair. The Committee had arranged special meetings to accommodate rapid changes in the operating environment for Durham SU. A thorough commercial development report was provided earlier in the year, and this now needs to be looked at in the new context.

4. CHIEF EXECUTIVE'S REPORT

Received: the Chief Executive's report.

GH confirmed that the pivot strategy was going well and provided further detail on the work done so far. Academics will be back on campus soon but Professional Support Staff, including most Durham SU colleagues, would be working from home until September at the earliest and, most likely, until January 2021.

The University is seeking to reduce non-staff costs by 25% in 2020/2021, reflecting the impact of less residential income (potentially very much reduced) and a hit on recruitment, particularly in the international student market. The President and Chief Executive have had an initial, positive, briefing with the Durham University Chief Financial Officer and the Pro-Vice-Chancellor (Colleges and Student Experience). The University Executive has requested a reflection on the impact of a grant of £900k, and of £800k, by 4 June 2020. The grant in 2018/2019 was £920k.

The President has been invited to join the Chief Financial Officer and others in reviewing the full range of responses to the cost-saving exercise currently underway.

The Vice-Chancellor has brought his retirement forward to July 2021 for health-related reasons. The President-elect will therefore need to be positioned to lead Durham SU's response to the opportunities presented by new leadership at the University.

The trustees had agreed to top-up the salary of colleagues enrolled on the Coronavirus Job Retention Scheme to 100% of salary until the end of July 2020. A further announcement from the Chancellor of the Exchequer was anticipated later that day, and Durham SU would reflect on its options. The Chief Executive committed to developing a proposal for the next Board meeting in consultation with the Chair of the Board, the Vice-Chair of the Board, and the Chair of the People and Culture Committee.

AB agreed, noting that the July Board meeting may be too late for an approval of a specific proposal, so an electronic resolution may be necessary.

5. FINANCE REPORT

Received: the Finance Report on Durham SU's financial situation, including the management accounts to April 2020.

MH presented the Finance Report, noting that Durham SU needed to make decisions quickly on further use of the furlough scheme and this will need to be planned very carefully and reviewed once the announcement has been made by Government.

April broke even, as expected, as losses were balanced out with furlough savings, which gives confidence that Durham SU should be able to break even and not make further losses at year end if good use of the furlough scheme continues. At the end of April there were eight salaried staff on furlough, and all student staff, and more colleagues will be added in June and July so additional savings will be made. Furlough will have saved £16,000 by the end of June and will save £13,000 by the end of July.

The Chief Executive had made a recommendation to continue to pay 100% of wages to colleagues on furlough until the end of July, as this seemed a reasonable balance of budget, cash, staff wellbeing, and staff engagement.

SJA asked when student staff claiming furlough would end as a member of career staff had been put onto the furlough scheme during a notice period. They also agreed that continuing the 20% top-up in July was an appropriate balance of Durham SU's responsibilities.

CN supported the top-up until the end of July as the financial impact would be minimal, and also thought extending student staff access to the furlough scheme into July would be permitted under the rules of the scheme. This would be a good idea in a difficult economic environment. CA was also of the view that it was really important to pay the top-up for staff wellbeing and also keep in line with the values of the organisation, while it was affordable.

GH clarified that any colleague who may earn 80% of their usual salary, as permitted by the legislation, would need to agree to that proposal following consultation. It was clear that it was permitted to continue to enroll student staff in the furlough scheme.

The Board agreed to pay the 20% top up until the end of July.

MH explained that student staff are contracted to the end of academic year, and the calculation for the claim is on the basis of working weeks. If Durham SU continued to pay student staff then they would get paid for longer than would be normal. GH added that it was for the trustees to decide to continue to access the scheme for student staff.

KMc noted that Durham SU had supported a member of career staff working notice, and this was the same situation. JM agreed that this would show support of student employees. JD added that supporting student staff would be good for the organisation, as long as it added no further cost to Durham SU.

MH clarified that until the government announcement, Durham SU was unsure of what the expectations would be after July so the trustees' decision may need to be reviewed once the new details are outlined. GH added that after 1 August cost-neutral access to the scheme won't be an option for any colleague.

The Board agreed to support student staff, as long as the furlough scheme was accessible and cost neutral to Durham SU.

Good governance items

6. STRATEGIC RISK REGISTER

Approved: On the recommendation of Performance and Delivery Committee, the Risk Policy, the Strategic Risk Register, and the proposals from the Chief Executive to mitigate strategic risks currently faced by Durham SU.

An updated Strategic Risk Register would have been expected in spring 2020 but due to the Covid-19 crisis, the act of responding to a significant and unexpected strategic risk distracted from the regular review of the Register. The last review took place at Performance and Delivery Committee on 11 December 2019, before the Committee considered this version of the Register on 20 May 2020 and recommended this iteration. The Risk Policy is still considered appropriate, and the Committee recommends re-adoption of the Policy and the approval of the Strategic Risk Register by the Board should be alongside approval of the Policy.

CP noted that the register was a very in-depth document and asked that more time be allocated to risk discussion in future.

TP asked what was meant by new controls required “to curb common room excess”. GH clarified that the entry referred to the fact that Durham SU had controls to address, for example, racist language through induction, education, and discipline. There were no such controls available to the University, but Durham SU must persuade the Pro-Vice-Chancellor that he, as well as individuals, are responsibilities; it wasn’t acceptable to continue to plead that Durham Student Organisations are not within University influence. If the University did meet their responsibilities, this would be an effective control.

The Board agreed the Risk Policy and the Strategic Risk Register.

7. PLANNING AND BUDGET 2020

Received: a presentation on planning and budget activities to date, for the trustees to offer advice and guidance on what they would expect to receive at July’s meeting.

KM presented projected planning and budget for 20/21 which was based upon an unconfirmed £900k grant from the University. Only essential expenses had been included and very small projects to enable costs to be reduced to the minimum. This does not include costs/savings from any commercial staff and any staff that may be furloughed until details of the scheme after end of July are released.

DE asked if this included all career staff members that were covered by the grant. MH confirmed that this included all staff minus a few on fixed term contracts which need to be reviewed.

DE queried for a future meeting of PDC to be provided with a breakdown of retros generated through trade in University and College bars could be provided.

8. DEVELOPMENT OF DURHAM SU STRATEGY

Considered: a proposal to realign the Durham SU strategy to the unprecedented circumstances likely in 2020/2021 and beyond, a restricted resource model, and urgent priorities, for approval at July's meeting.

GH presented the paper, which supports the trustees in understanding how Durham SU will evolve its service offer between July and October, for the term ahead, to make a credible valuable membership offer that is an 'interim informed position' for first-year students at the start of Michaelmas term. AB added that times are changing, and this is about adapting to those changes, creating a framework to allow the organisation to build on this.

JM thought the paper was a really good piece of work and well put together with a strong plan for moving forward. CP stated that this was a good opportunity to be bold and refresh strategic thinking to be able to help Durham SU get through this time. AMc agreed that Durham SU need to be radical in thinking around a world that is changing and will be changing for a long time to find out what is the new normal but keep in line with the values of the organisation.

The Board supported the paper.

9. CONSULTATION ON STAFFING POSTS FUNDED BY INDEPENDENTLY GENERATED INCOME

This item is confidential and for Board members only, and will not be included in the open papers published on the website.

Information items

1. TERMS OF REFERENCE OF THE UNIVERSITY ASSURANCE SERVICE REVIEW INTO DURHAM SU ELECTION PROCESSES

Received: the terms of reference of the University Assurance Service review into Durham SU Election Processes currently underway.

2. REPORT OF THE SUPERVISING TRUSTEE INTO THE DURHAM SU ELECTIONS

Received: the report of the Supervising Trustee into the Durham SU Elections and to note the confidence of the University Secretary and Council into the report.

3. REPORT OF THE UNIVERSITY ASSURANCE SERVICE INTO DURHAM SU'S PROGRESS ON THE 2017 UAS WHOLE ORGANISATION REVIEW

Received: the report of the Durham University Assurance Services into Durham SU, in a mid-point follow-up to the 2017 whole organisation review.

