



# HUU Limited Board Meeting Minutes

Thursday 13<sup>th</sup> December 2018 held at Student Central

Present: Stuart Ferguson (Trustee, Chair, SF); Alan Bolchover (Trustee, AB); Gaius Powell (Trustee, GP); Osaro Otobo (President, PRES); Isobel Hall (President of Education, PE); Thomas McNamara (President of Activities, PA); Nicholas Wright (President of Sport, PS); Andrew Costigan (President of Welfare & Community, PWC); Rebekah Greaves (Student Trustee, RG)

Attending: Jane Stafford (Chief Executive, CEO); Andy King, Commercial Services Director (CSD); Liz Pearce, Membership Services Director (MSD); Kevin Pearson, Finance & Resource Manager (FRM); Kate Jude, HR Manager (HRM); Rachel Kirby, Marketing & Communications Manager (MCM); Alexandra Tute, Executive Support Co-ordinator (Minutes, ESC)

Apologies: Connor Massey (Student Trustee, CM); Stephen Willis (University Chief Finance Officer, UCFO); Madeline Holden (Student Trustee, MH); Kathryn Sharman (Student Trustee, KS);

Conflicts of Interest: SMT members and president team have conflict with agenda item 4. GP conflicts of interest relating to the Financial Statements 31/7/18 as Chair of FARC recommending them to the Board.

Quoracy: This meeting is quorate in accordance with the Memorandum and Articles of HUU Ltd. Quoracy being seven Trustees including one External Trustee, one Student Trustee and one President Trustee.

1 **Minutes of last meeting**

Approved as a correct record.

2 **Matters arising**

All matters arising concluded.

3 **End of year accounts 17/18**

FRM circulated the financial statements for the charity and the trading company to July 18. These were presented to FARC by Simon Turner from Armstrong Watson. FARC recommend the board approve the accounts. FRM stated there is a combined £85k deficit for the charity and trading arm. PWC questioned the deficit amount; FRM said Commercial did not perform as well as in previous years despite efforts from CSD and his team. The model that HUU have is difficult to sustain due to a change in student numbers culture. Commercial are reviewing outside sources to sustain the income. AB questioned what reserves the company has; FRM said that there is currently 1.1 million pounds in investment and approximately £700,000 in cash.

The board approved the Financial Statements 31<sup>st</sup> July 2018 and approved that the Chair signs the letter of representation to Armstrong Watson

### 3.a **AGM draft agenda**

FRM asked the board if they are happy to move forward with the AGM agenda. The board agreed to adopt the AGM Agenda for 2019. PRES questioned if HUU can change the date. CEO suggested after discussions with the president team the AGM could take place before Union Council. CEO asked the board for recommendations; SF responded changes to encourage a higher attendance would be beneficial to students understanding work that the union covers. AB asked what benefit the changes would have if more people attended.

### 4.a **Union Council mandate on Student staff pay**

PE updated the board on a motion passed at Union Council to pay student staff the national living wage. GP questioned the mandate timeline; PA said the spirit of the motion is to work towards this, not that a set timeline has been assigned. HRM noted that HUU operate on an age-based pay scale, the membership services staff stand on a different pay scale based on the scope of their roles. PS expressed that students are being judged on their age even though they may be students in the same financial situations. HRM explained the employee student engagement results, students staff results came across higher in regards to pay. In addition, the flexibility of the role comes as part of their role reward. PWC voiced his own experiences in favour of the motion.

PRES noted there is some work that can be done; it would be beneficial to level the pay. FRM stated there is a 5% increase for 18-21 in place; the organisations are going to embark on a workforce review, with a clear direction. PA said to inform students that it is not possible now, however, HUU are considering the proposal during the workforce review. HRM asked if there were set hours, would that be beneficial; PRES said this would be a question to ask students. CEO would prefer not to have zero hour contracts as many administration hours are taken up arranging the contracts. CSD said there is no struggle to recruit and voiced opinions on fixed hour contracts not in favour of them, noting a potential increase in administration would take place if students had set hours. SF said to this can be discussed during the work force review.

PE questioned the motivation behind having different age pay scales; FRM said it is the financial reasons; the organisation is within the legislation. AB questioned the cost; HRM said it would cost £33k; AB voiced concerns with increasing costs for the union and expressed this decision should be part of a wider review to understand the consequences of these conclusions. CSD suggested an increase on drinks of 10p would cover the additional wage costs if students would be willing to pay.


The board has noted the motion of unfair pay. This issue will be taken into account based on a wider workforce review. The board have previously committed to a 5% increase, FRM asked for confirmation that the 5% will continue above the NMW as it changes, SF confirmed that this was the decision.

## 5 **Corporate Governance review**

CEO presented seven items within the governance review.

Item 1. CEO asked the board for thoughts and queries to the proposed changes of the revised articles of the subsidiary. SF suggested more flexibility is required throughout the reserve matters. The board approved the proposed changed to the articles.

PS and PA and PRES expressed an interest to take part on the commercial board. CEO expressed concern over GP trustee role, which could increase to 15



meetings a year if the structure stayed the same. RG voiced a potential for interest from other student trustees. CEO noted once a president or student trustee role has finished, if there was a vacancy in the non-exec director role, a trustee would be able to transfer into this role.

GP voiced the number of meetings is a concern with too much responsibility and risk as chair of FARC. CEO noted 15 applications for each external trustee and non exec director role have been received so far. SF asked what the CEO's ideal mechanism would be; CEO said there has to be a democratic process to determine who would be the best representative from the trustee board on the subsidiary board.

The decision to allocate members to sit on the commercial trustee board to be taken offline once a mechanism has been decided. **ACTION: CEO and Chair**


Item 2. CEO has taken the board's recommendation forward to reduce from four proposed committees to three committees by incorporating HR into FARC and creating a Membership and Participation Committee. A minimum of one additional trustee. SF asked the board for comment on the membership and participation committee; PA said student representation would be useful. PS added it would also be beneficial to have an external trustee to bring their experiences. A decision is to be agreed outside of the board meeting on the Membership and Participation Committee members. **ACTION: CEO AND CHAIR**

Item 3. CEO, the alternations to the articles and memorandum advised by Gerry Morrison at the October board meeting. These have to be approved by the University and Union Council before going to out to referendum. The University are in a supportive mode; once a decision has been made by, the Union CEO can email the University team with the proposed changes. CEO questioned if there are any other details the board would like to alter and how would the board do that. SF responded, it has been reactive in the past, PRES said it would be difficult to make these decisions via email and suggested an away day as trustees. CEO advised there is a UEC away day on the 31<sup>st</sup> January, which trustees could attend. SF said it would be useful for trustees to see recommended changes from President and SMT in advance for trustees to consider. PS suggested a discussion to be had regarding FTE students, can all students be made to have an equal voice. PWC suggested creating flexibility in the memorandum to make legal updates without needing to go to referendum. CEO and SF noted this is a valid point. CEO proposed the ability to make legal adjustments to the memorandums without needing approval from the University. CEO further noted, given the increase in meetings and committees, whether to adjust the board meetings to a minimum of four instead of five to create more flexibility if required.

SMT and President Team to email ESC with suggested alternations to the memorandum by Friday 18<sup>th</sup> January. **ACTION: SMT and President Team**

ESC to circulate the UEC away date to trustees and prompt trustees for views on suggested changes. **ACTION: ESC**

Item 4. is of the heads of terms of the service level agreement on the relationship shared services agreement. FRM noted some work is to be done around what other student unions do in relation to management charges. SMT added reviewing models that are similar to HUU in terms of the demographic of students. The board had no comments or questions. The Service level agreement was approved.



Item 5 demonstrates the governance structure of the proposed committee meetings. CEO and SMT have created draft terms of reference for the committees. CEO expressed concerns of workload by incorporating HR into FARC and proposed for Health and Safety to sit on the board agenda. Membership and Participation Committee makes a space for trustees to examine our participation with the union is right. SF made an observation of AGDC; most of the time is spent discussing the electoral process, could this naturally sit within Membership and Participation; CEO suggested that AGDC be a committee to be called upon when required. PRES questioned the timings of adding HR to FARC agenda; GP said there is logic with incorporating HR, money and people are the most fundamental risks. GP is happy to trial the merging of HR and FARC. CEO added, the trading arm would cover much of the commercial agenda items, which usually sits at FARC. The decision for which external trustee to sit on MPC to be taken offline. GP has a number of comments regarding the terms of reference. CEO suggested the work to be taken into the next committee meetings as draft, have discussions with committee members and receive comments for the next board meeting. GP agreed.

The board approve the proposed committee structures. CEO to amend AGDC terms of reference, to call upon the committee when required. **ACTION: CEO**

Item 6 asked the board to note the work on the trustee handbook. CEO thanked PRES, PA and MH for feedback.

Item 7 is to note that the CEO has been removed as a director from the trading arm in November 2018.

5.a **Standing Order proposals to Repeal 8009, 9001+Annexe 1 and 2 and 9004.**

Standing Orders 8009, 9001+Annexe 1 and 2 and 9004 approved for repeal offline by trustees.

6 **Strategic plan - update**

CEO updated the board on the background of the strategic planning work. CEO feels there is a need for separate corporate strategic priorities and would be asking if there is more to add or any amendments to be made. CSD and CEO begun to create a business plan for the subsidiary which will look at financial sustainability. CEO asked the board for feedback regarding the plan during the meeting or offline. SF recommended being more explicit regarding student numbers, what HUU is going to look like in the future, are there other revenue opportunities, where should investment be targeted; these tools will allow for future direction. CEO responded, the discussions that have at the board today will be worked into the strategic plan.

GP suggested the link between work place review and the strategic plan requires more joining up. CEO replied, the decisions made at the board today would influence the work on the strategic plan. AB advised to map out what HUU is trying to achieve and to have a clear direction in line with the threats to income and declining student numbers. The committee are content with the direction of the strategic plan, CEO happy to take further comments offline.

## 7 VMS Live Events CAPEX paper (FARC)

CSD presented the VMS Live Events CAPEX paper. The purchase of this equipment would allow us to reduce the rate card and attract a larger number of acts. VMS have suggested that at least double the amount of artists could be acquired with HUU own equipment. CSD proposed for the charity to loan the cost to the subsidiary to be repaid over 5 years.

SF noted the struggle to acquire quality acts. FRM expects this to be a worthy investment. PRES questioned with VMS ownership of Welly and Polar Bear what type of acts would be suggested for HUU; CSD responded Asylum would hold acts who can take a higher capacity than Welly and Polar Bear.

SF asked the board is this the right place to put the investment; GP responded the discussion had at FARC was that the investment is part of a broader activity of increasing commercial revenue.

The board approved the VMS Live Events CAPEX proposal.

### 7.a End of Year Ball

CSD highlighted the decline in End of Year Ball sales with 2018 EOYB incurring a loss of £1473; the dramatic reaction to changing the style had a knock on event for ticket sales. CSD proposed a larger scale event as in previous years. MCM expressed marketing challenges and agreed with CSD to allow the event to run as in previous years or market the event as a Tower night. SF suggested reviewing the risks of running the event on the larger scale. CEO noted a discussion at FARC suggesting the University could sponsor the event as the images are used from there to promote the student experience. In addition, faculties have funding for student experience, given the NSS results these departments could be asked to contribute as a partnership between the Union and the University. PE attended a surveys group and suggested for the committee to pay £10- £15 towards End of Year Ball tickets to encourage students to complete NSS survey results. MCM emphasised the January loan date is the deadline for having a decision and a product to sell.

SF asked how would SMT like to run the EOYB; CSD said that if the University could aid with funding, commercial team would run the event as an End of Year Ball. CEO said there is a bigger picture of what the Union provides at University can encourage students to attend Hull University. PRES stressed it would be a massive blow to not run an End of Year Ball. GP advised in the competing pressures, this event benefits the University and raised concerns financing the EOYB at a loss.

The committee agree to hold an EOYB if £50k of funding from the University or external sources can be acquired. Failing that, the event will run as a Tower night. SF proposed to keep the committee informed on the progress. **ACTION: CSD**



## 8 **CEO and SMT report including Dashboards**

Reports taken as read. CEO noted the board has previously asked SMT to bring dashboards, which were presented, in draft. CEO asked the board for feedback during the meeting or offline. For future meetings, the reports are to sit in the committees to allow for more discussion and scrutiny and then come to the board for further discussions.

SF commended the dashboards and visualisation. GP added the transparency is easy to follow and suggested to link them back to SMT objectives. SF questioned if there are any intentions to share with students; CEO said discussions have taken place to present the dashboards at Union Council or via social media. FRM had received positive feedback and questions at the Union Briefing.

## 9 **Presidents highlight report – Tabled**

PRES suggested for the team to highlight one main point they are working on.

PRES highlighted work on the Democracy governance review, student feedback has been collated and presented to Union Council, a number of students have registered interested to be involved in the next pieces of work.

PE has achieved her printing objective, the report was presented to the University Leadership team. The new credits are going to be implemented next semester.

PWC noted the University have committed to a mental health strategy. The University have created a steering group, which will aid to draft the document, PWC to be involved in the process.

PA highlighted work on the societies grant, the by-laws state that societies less than 30 members cannot apply for the grant. PA is to create a fair systems in which all societies can apply for the grant based on the number of members.

PS has been recognising team achievements with team of the month and team of the trimester. Positive feedback has been received from social media posts on Wednesday afternoons.

## 10 **Health and Safety Report**

CSD noted there are no issues to report. CEO to regularly attend HUU's Health and Safety Committee. Minutes of this committee will be submitted to the Board.

## 11 **Revised Letter of Comfort - Tabled**

CEO and PRES to attend the steering group committee on Friday 14<sup>th</sup> December. Stephen Willis to respond by Wednesday 19<sup>th</sup> December. CEO to circulate SW response to trustees. **ACTION: CEO**

## 12 **Code of Practice amendment**

CEO consulted with the Registrar and VC regarding SITS and how this new system affects president student status. The VC will give all presidents moving forward honorary status each year in the form of a single letter to the Union. FRM has made adjustments in SUMS to allow the presidents to take part in activities and elections. Amendments have been made to set out this change in the Code of Practice.

The Board approved the changes to the Code of Practice. PRES noted her thanks to FRM for resolving the technical issues on SUM's.

## 13 **Minutes from ADGC held on 2018**

Minutes taken as read.

## 14 **Minutes from FARC held on 2018**

Minutes taken as read.

## 15 **Any Other Business**

CEO voiced a significant number of applications for the external trustee and voluntary non-exec director positions. CEO asked the trustees if they would take any queries or questions from prospective trustees; Trustees happy to take any queries via email. ESC to email AB details of application packs. ACTION: ESC CEO asked the board another query if a external trustee was to enrol on a PHD course, could they remain an external trustee; SF and AB responded to review the position if it arose.

## **Three Big Things**

1. The board approved the Corporate Governance review recommendations.
2. The board adopt the accounts on the recommendation received from FARC.
3. The board endorsed the travel of the strategy work done.

Next meeting: Thursday 7<sup>th</sup> March 2019, 10:30am