

Trustee Board Minutes

From meeting held on Monday 26th October 2020
 Online Meeting, via Zoom, 18:00 – 20:00

Present

Robert Smeath, External Trustee **(RS)** (Chair)
 Tobiloba Adeyemi, President **(President)** (Vice-chair)
 Rebecca Cutler, Postgraduate Officer **(PGO)**
 Jules Singh, Education Officer **(EO)**
 Amie Raphael, Activities and Employability Officer **(AEO)**
 Charlotte Minter, Welfare and Community Officer **(WCO)**
 Rob Hegarty, Sports Officer **(SO)**
 Wei-Lun Chen, International Officer **(IO)**
 Johnny Davis, External Trustee **(JD)**
 Henrietta Brealey, External Trustee **(HB)**
 Wyn Williams, External Trustee **(WW)**
 Ian Pain, External Trustee **(IP)**
 Emma Wedge, External Trustee **(EW)**
 Rosa Alaluf, Student Trustee **(RA)**
 Maya Davey, Student Trustee **(MD)**
 Erica Conway, University Representative Trustee **(EC)** (left at 18:40).

In attendance

Jo Thomas, Chief Executive **(JT)**
 Kate Angus, Mazars Auditors **(KA)** (Mazars Auditors) (agenda item 0 only)
 Adam Sheridan, Director of Engagement **(AS)** (agenda item 6 only)
 Nick Bailey, Head of Finance **(NB)** (agenda items 0 – 6 only)
 Emily Badger, Director of Operations **(EB)** (agenda items 6 & 7 only)
 Lucy Gill, Student Voice Manager **(LG)** (agenda item 9 only)
 Sam Jones, Interim Executive Assistant **(SJ)** (note taker)

Apologies

Tom Goodman, Student Trustee (Postgraduate) **(TG)**

The Chair welcomed everyone, the meeting commenced at 18:00

No	ITEM FOR DISCUSSION	NOTES	ACTION
0	2019/2020 Financial Statements	<p>NB presented the 2019/2020 Financial Statements for the Board's Approval.</p> <p>NB highlighted items from the financial statements, noting that HMRC's review of catering provision had resulted in alterations to VAT calculations. NB noted that the Guild had previously reported a net expenditure of £12.6k for the year 2018/19, however this had now been revised to £51.9k to reflect potential historic liabilities.</p> <p>NB noted that the Guild for year-end was reporting a Net Expenditure of £1.303m, due to the processing of a significant SUSS pension adjustment, and financial impact of the closure of commercial venues due to the COVID-19 pandemic.</p>	<p>Noted</p> <p>Noted</p> <p>Noted</p>

		<p>NB noted a total impact for the catering VAT adjustment of £181K for the year. NB noted that the Guild had adjusted the previous year's statements to incorporate the VAT catering issue. NB noted that the Guild's VAT challenge in relation to catering in Joe's Bar had been lost in a second review with HMRC.</p> <p>NB noted that HMRC assessment issues in relation to the Student Mentors and Hall Reps schemes were ongoing, however the Guild was hopeful of a positive outcome.</p> <p>NB noted that the Guild's pension discount factor of 1.07 % had been identified as above Mazars' maximum discount factor of 1.00%, therefore there was an 'unadjusted error' of £31.3k recorded in the Guild's audit, however this level was below the materiality threshold of the accounts.</p> <p>EC asked about the scale of the possible ongoing VAT adjustment which may arise in next year's accounts. NB noted that the estimate amount may be as much as £350k.</p> <p>NB introduced Kate Angus, representative from Mazars, the Guild's Auditors (KA).</p> <p>KA provided the Board with a summary of the Guild's audit completion report. KA noted that Mazars had reviewed the management override of controls, revenue recognition, fund accounting and the Guild's status as a 'going concern' as part of the Guild's annual audit as possible risk factors. KA noted that Mazars had no concerns.</p> <p>KA updated the Board on Mazars's assessment of the Guild as a going concern. KA noted that Mazars had, clarification from the University and its position to support the Guild financially. KA noted that confirmation had not been received, however due to the University's legal obligation to have a Students Union, Mazars were satisfied that the Guild would remain a going concern.</p> <p>KA noted that despite COVID-19 restrictions, the audit had been successful and had gone smoothly. KA noted that no recommendations for changes had been made by Mazars, with only one issue noted with respect to the pension deficit discount factor.</p> <p>HB noted the impact of the VAT catering issue on the wider Students Union sector and asked about possible sector-wide action on the issue. NB noted that legal progress by HMRC had slowed during the COVID-19 outbreak, however this had recently restarted. NB noted that RSM consultancy were continuing to review the national position of several Student's Unions and the NUS were supporting. NB noted that the Guild would continue to defend its previous position, however many other Students Unions were facing similar challenges from HMRC.</p> <p>KA left the meeting at 18:20.</p>	<p>Noted</p> <p>Noted</p> <p>Noted</p> <p>Noted</p> <p>Noted</p> <p>Noted</p> <p>Noted</p> <p>Noted</p> <p>Noted</p> <p>Noted</p>
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1	Approval & Minutes of last meeting (07.09.20)	<p>The Chair presented the minutes of the previous meeting dated Monday 7th September 2020 for the Board's approval. The minutes were taken as read, with no questions asked.</p> <p>The Board approved the Minutes dated 7th September 2020 as an accurate record of the meeting.</p>	<p>Noted</p> <p>Approved</p>
2	Matters Arising	<p>The Chair noted several actions arising from the previous minutes.</p> <p>JT noted that a Good Governance update was planned to be delivered at the January Board meeting.</p>	<p>Noted</p> <p>Noted</p>
3	HR Committee Minutes (30.09.20)	<p>The WCO presented the Minutes of the previous HR Committee meeting, dated 30th September 2020, for the Board's approval.</p> <p>The Board approved the minutes as an accurate record of the meeting.</p>	<p>Noted</p> <p>Approved</p>
4	Finance Committee Minutes (13.10.20)	<p>The President presented the Finance Committee Minutes, dated 13th October 2020, for the Board's approval.</p> <p>NB noted that the Guild had recovered circa £219k from the furlough scheme, and additional savings had been made from departmental budgets due to cancelled events and activity. NB noted that the Guild had successfully navigated the COVID-19 outbreak for the 2019-2020 budget, however the Guild's pension deficit adjustments had had a significant negative impact on the accounts. NB noted that significant uncertainty remained for the Guild's budget for 2020/21 due to difficult trading conditions.</p> <p>The Board approved the minutes as an accurate record of the meeting.</p>	<p>Noted</p> <p>Noted</p> <p>Approved</p>
5	A&R Committee Minutes (13.10.20)	<p>The EO presented the Audit & Risk Committee Minutes, dated 13th October 2020, for the Board's approval.</p> <p>RS noted the value of arranging for a joint session of Audit & Risk and Finance Committee meetings.</p> <p>The Board approved the minutes as an accurate record of the meeting.</p>	<p>Noted</p> <p>Noted</p> <p>Approved</p>
6a	2020-21 Budget Reforecast & Scenarios	<p>NB presented the 2020-21 Budget Re-forecast & scenarios for the Board's feedback.</p> <p>NB noted that when the 2020 – 2021 budget was originally approved the Guild had assumed a return to 'normal' trading conditions from January 2021 onwards, however this had now been revised to the end of the financial year due to expected continuing COVID-19 regulations. NB noted that the revised budget now forecast for current trading to continue for the rest of the calendar year.</p>	<p>Noted</p> <p>Noted</p>

		<p>NB noted that the Guild had originally projected a net expenditure of £17.6k, however with this adjustment the Guild was now forecasting a net expenditure of £129.7k. NB noted that while in normal trading conditions the Guild would be expecting a surplus of circa £500k in commercial services, the Guild was forecasting projecting a £300k loss. . NB noted that considering allocations to designated and restricted reserves and pension deficit repayments, the Guild's forecast net expenditure increased to £298.3k.</p> <p>NB noted that the Guild had been actioned by Finance Committee to seek reductions of the projected £161k negative adjustment. NB noted that the Guild had since sought additional overhead savings of circa £60k from existing budget.</p> <p>NB noted a projected a step two scenario of accessing the Job Support Scheme (JSS) announced recently by the government could contribute an additional £25k in savings.</p> <p>NB noted the that a step three scenario to reduce the Guild's net expenditure to circa zero would utilise the closure of the building to reduce overheads and utility costs, with the staff team reverting to working from home over the winter period.</p> <p>JD suggested that the Guild should look to access 'steps 1 & 2' as listed in the paper to reduce the projected net expenditure by circa £90k. JT noted that if Birmingham was moved into a 'tier 3' lockdown position, the Guild would be required to close Joe's bar, significantly affecting commercial operations.</p> <p>JT updated the Board that the University were continually reviewing scenarios for students returning home for Christmas and returning to campus after the break. JT noted that the footfall on campus was likely to remain low for the rest of the calendar year. AS updated the Board on possible effects of tier three restrictions on commercial operations.</p> <p>JT noted that if the Guild were forced to close venues by national or local restrictions, the Guild would likely be able to access additional government support schemes and be in a better financial position than its current outlook.</p> <p>HB asked about the recent announcements of the government on a reduced employer contribution for staff furloughed under the new Job Support Scheme. NB noted that student-facing services other than venues remained busy.</p> <p>The Board approved the 2020-21 Budget Re-forecast & scenarios update.</p> <p>EC left the meeting at 18:40.</p>	<p>Noted</p> <p>Noted</p> <p>Noted</p> <p>Noted</p> <p>Noted</p> <p>Noted</p> <p>Noted</p> <p>Noted</p> <p>Noted</p> <p>Approved</p> <p>Noted</p>
6b	Income Generation Update	<p>AS presented the Income Generation Update for the Board's feedback.</p>	<p>Noted</p>

		<p>AS noted that operational challenges for the Guild's commercial services remained significant, however the Guild was looking to mitigate operational issues and achieve profitability for commercial operations. AS noted that the Guild was currently reviewing possible alternative commercial opportunities, including food and drink takeaways. AS noted that the venues team continued to seek a break-even position in relation to student-staff wage costs.</p> <p>JD noted that Joe's bar profitability remained a challenge during weekend trading. HB asked about the Guild's Meal Plan obligations at the weekend. AS noted that the Guild did not have an obligation to provide weekend catering, however a closure at the weekend would significantly reduce options for students on Meal Plan.</p> <p>AS updated the Board on weekly trading figures. AS noted that additional opening hours for take-away service would require operational changes to staff rotas. WW asked about demand assessments for take-away in Selly Oak. AS noted that if the Guild moved towards take-away service, this would require additional market research and investments in marketing.</p> <p>The Board discussed students visiting Joe's bar and other Guild commercial activity from more than one household. AS noted that visitors to Joe's bar were currently being challenged if they were from one household, however the Guild was continuing to review any additional licencing requirements.</p> <p>HB asked about bundle deals and set-menus for evening food and drink service. AS noted that a number of venues in Birmingham were offering 'VIP' packages in the evenings, however there were concerns from a licensing perspective around encouraging the consumption of alcohol contributing to possible transmission.</p> <p>The Board discussed possibilities for offering socially distanced club-nights and additional events. MD noted current offerings in Birmingham city centre for evening events. MD noted the possibility of an outdoor marquee space for additional licenced trade and AS noted that sunk costs for marquee hire were high, and a number of venues had received fines for closed marquees being categorised as buildings.</p> <p>HB asked about possibilities for hosting groups of more than one household outdoors in Mermaid Square. AS noted that the Guild's current operations had been very cautious and had limited numbers outdoors significantly, however this could possibly be expanded.</p> <p>The Board discussed the possible closure of commercial venues. RS noted the value for student engagement and the student community for retaining Joe's Bar. RS noted that if there was significant pressure from the University to keep commercial operations open, the Guild should look for a direct subsidy.</p>	<p>Noted</p> <p>Noted</p> <p>Noted</p> <p>Noted</p> <p>Noted</p> <p>Noted</p> <p>Noted</p> <p>Noted</p> <p>Noted</p>
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		<p>The PGO noted the value of retaining venues opening for the student community and student engagement, however this value would be reduced for further evening opening with possible additional risks of COVID-19 transmission. The President noted that student engagement would be significantly affected by the closure of the building.</p> <p>JD noted the value of retaining the opening of the building during the week, however with support services closed over the weekend and commercial losses, the Guild could consider closing the building over the weekend. IP suggested investigating the closure of the building during weekends.</p> <p>NB noted that the closure of building at the weekend would reduce utility and cleaning costs, however alone would not achieve a break-even budget position.</p> <p>The Board agreed to proceed with steps one and two as listed in the paper. RS noted that if net expenditure continued to rise, further steps would be necessary to balance budgets.</p> <p>JT noted that if the Guild's financial forecast continued to decline, an emergency Finance Committee meeting may be arranged.</p> <p>The Board noted the Income Generation Update.</p> <p>NB left the meeting at 19:15.</p>	<p>Noted</p> <p>Noted</p> <p>Noted</p> <p>Noted</p> <p>Noted</p> <p>Noted</p> <p>Noted</p>
7	Strategic Plan Update	<p>JT presented the Strategic Plan Update for the Board's approval.</p> <p>JT noted that at the last Board meeting, Trustees had actioned senior managers to reduce the current strategic objectives for work that had not yet begun, and to extend the current strategic plan period instead of beginning preparation for a new strategic plan. JT noted that some elements of the current strategy had been accelerated, such as digital working.</p> <p>JT noted that at this point in the strategic cycle, the Guild would in normal times be undertaking research and strategy development for the next strategic plan, however at this time with the significant disruption of the COVID-19 outbreak, the Guild was recommending to extend the current strategic plan for one year until July 2021, with a possible further extension to the end of the calendar year 2021.</p> <p>EW noted the value of extending and reviewing the current strategic plan considering current workloads and service disruption. EW asked about the possibility of moving to five-year strategic plans in line with the proposed transition of the Guild's financial settlement to a five-year timeframe. The President noted that a five-year strategy would coincide with the University's own strategic cycle.</p> <p>RS noted that the ongoing SUMS review may afford additional opportunities for strategic realignment later in the academic year.</p>	<p>Noted</p> <p>Noted</p> <p>Noted</p> <p>Noted</p> <p>Noted</p>

		The Board approved the Strategic Plan Update.	Approved
8	Organisational Restructure	<p>JT presented the Organisational Restructure update for the Board's approval.</p> <p>JT noted that the organisational restructure phase one had now been completed, and phase two recruitment of 'senior coordinator' positions had been delivered successfully through internal recruitment. JT noted that the additional opportunities afforded in the new phase two roles had been received very well by staff.</p> <p>JT noted that staff workload continued to be very high, contributed to by COVID-19, the loss of circa 10% of the staff team and additional University projects which had been significant, and the impact on the staff team was beginning to show.</p> <p>The Board discussed current high workloads and staff wellbeing. EW noted the value of additional activity to engage staff and support staff team morale. JT noted ongoing work on possible Christmas social activity.</p> <p>JT noted that the University had granted two additional days of annual leave of the Christmas period and requested these been granted for the Guild team.</p> <p>The Board further discussed the current workload of Guild staff. JT noted that the Guild may have to increasingly decline engagement in additional University projects and work. JT noted the significant difference in scale between the University and Guild staff teams. RS noted the importance of maintaining staff wellbeing and communicating clearly with the University on Guild staff capacity for new projects.</p> <p>The Board approved the Organisational Restructure update.</p>	<p>Noted</p> <p>Noted</p> <p>Noted</p> <p>Noted</p> <p>Noted</p> <p>Noted</p> <p>Approved</p>
9	Student Voice Report	<p>LG joined the meeting at 19:35.</p> <p>LG presented the Student Voice Report 2020 for the Board's information.</p> <p>LG noted that the Student Voice report was produced on an annual basis from data from the national student survey, other local surveys and the annual Postgraduate Taught/Research experience surveys (PTES/PRES).</p> <p>LG noted the key themes of black student experience and attainment at the University, the experience of disabled students in relation to teaching and learning and 'reasonable adjustment plan' implementation, and the student voice and opportunities for collaboration on closing the feedback loop.</p> <p>LG noted the significant impact on of COVID-19 on student teaching delivery, with major changes to previous years. The EO</p>	<p>Noted</p> <p>Noted</p> <p>Noted</p> <p>Noted</p>

		<p>noted that the student feedback on current teaching practices was being monitored through the student rep system.</p> <p>MD noted that reasonable adjustment plan implementation at the University could be very inconsistent. LG noted that Guild advice were able to support students for individual cases, however the student voice report called for a wider study and data collection on student experiences with accessible learning at the University.</p> <p>The Board noted the Student Voice Report.</p> <p>LG and AS left the meeting at 19:40</p>	<p>Noted</p> <p>Noted</p> <p>Noted</p> <p>Noted</p>
10	Officer Action Plan	<p>The PGO presented their action plan for the Board's information.</p> <p>The PGO noted plans to standardise inductions for postgraduate students, particularly for students arriving from abroad, ensuring that students were able to access wellbeing services and academic skill services, particularly during the COVID-19 outbreak.</p> <p>The PGO noted plans for specific Postgraduate 'Speak Week' research and data collection to inform welcome and arrivals processes, postgraduate retention outcomes, access to learning materials and the wider postgraduate experience to inform a report to University committees.</p> <p>The PGO noted additional plans for study skills sessions in collaboration with the library and the graduate school, supporting postgraduate students who had spent time out of education before arrival at Birmingham.</p> <p>The PGO noted plans for additional postgraduate community events, currently to be held online. The PGO noted that as in-person activity was not currently possible, engagement with PG community events had been limited.</p> <p>The Board noted the Officer action plan.</p>	<p>Noted</p> <p>Noted</p> <p>Noted</p> <p>Noted</p> <p>Noted</p> <p>Noted</p>
11	CEO Report	<p>JT presented the CEO report for the Board's Information.</p> <p>JT noted that Welcome Week 2020 had been delivered very successfully considering the move of most of the activity had been delivered online. JT noted the success of the 'Lakeside' site, catering to circa 5000 students over the welcome period. JT noted the hard work of Guild staff in delivering the Lakeside event and online activity under difficult circumstances.</p> <p>JT updated the Board on ongoing Autumn elections period. JT noted that turnout for the newly introduced committee positions was looking positive, following the democratic restructure. JT noted that the Guild had seen a record number of candidates for this period, with 44% of candidates being postgraduate, and 53% being international students, representing 35 countries.</p>	<p>Noted</p> <p>Noted</p> <p>Noted</p>

		<p>JT noted that student groups had begun some limited in-person activity, however this remained very difficult to deliver.</p> <p>The Board discussed the delivery of the Lakeside socially distanced event for welcome week. JT noted that the cost for the event had been significantly higher per-head than large events in normal times, however the University had agreed to cover the cost of the event.</p> <p>HB noted the achievement of the Guild staff team to deliver a successful welcome event series despite the COVID-19 outbreak.</p> <p>The Board noted the CEO report.</p>	<p>Noted</p> <p>Noted</p> <p>Noted</p> <p>Noted</p>
12	AOB	No items noted	Noted
13	Meeting Reflection	No items noted.	Noted

The Chair closed the meeting at 20:00.

Signed

Date

DRAFT