



University of Hertfordshire Students' Union Board of Trustees
Thursday, 4th November 2021 at 4.00 pm via MS Teams

Present:

- Junaid Ahmed (JA)
- David Ball (DB)
- Rhiannon Ellis (RE)
- Sarah Fuell (SF)
- Zara Haram Syeda (ZHS)
- Stephen Isaacs (SI)
- Victoria Udeh (VU)
- Dr Mairi Watson (MW)

In attendance:

- Alex Bottom, *Hillier Hopkins LLP* (AB)
- Luci Ablett, *Finance Manager, HSU* (LA)
- Rebecca Hobbs, *Chief Executive Officer, HSU* (RH)
- Alun Minifey, *Head of Operations, HSU* (AM)
- Steve Owen, *Head of Student Services, HSU* (SO)
- Karen McKenna, *Secretary, HSU* (KMck)

1. Apologies for absence

- Prosasti Ganguly
- Katie Morton
- Leena Patel
- Simon Petar

Non-Attendance

None

2. Declarations of Interest

None

3. Year-end accounts and Audit Report and Appointment of the Auditors

Year-end accounts and Audit Report

DB welcomed Alex Bottom of Hillier Hopkins to the meeting and thanked him for joining the Board today to them through the Trustees' Report and Financial Statements.

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AB began by noting he would not be talking to the Director's Report and Financial Statements for UHSU Enterprises Ltd as the trading subsidiary was dormant for much of the year because of the

pandemic. He would, however, pick out main highlights but refer in the main to the Trustees' Report and Financial Statements which bring together both HSU activities and the trading subsidiary activities. He highlighted the following:

- Trustees are jointly and severally responsible for the legal company and to run it in a sensible fashion. This results in a limited personal liability.
- The Trustees' Report explores the operations of HSU and its impact, along with intentions for the future and how the organisation has responded to the issues of the day. This is signed off by the Chair, on behalf of the Board, and AB noted he was comfortable with the Report.
- The Audit Opinion gives a considered judgement as to whether the Financial Statements give a true and fair view of the charity and its subsidiaries' financial affairs. This is signed off by AB as the senior statutory auditor of Hillier Hopkins.
- For the year ended 31st July 2021, total income fell from approx. £2.6m to approx. £1.5m partly due to the reduction of the UH grant for rent but more significantly, due to the reduction in turnover from trading activities due to the pandemic lockdowns. This reduced 2021 trading activities income to 5% of its 2020 level.
- Total expenditure of approx. £1.3m against 2020 spend of approx. £2.5m on student facing services and income generating activities resulted in a surplus of £74,381 for the year.
- The consolidated statement of financial activities shows that total income was down on the prior year from approx. £555k to £470k as at 31st July 2021.
- The closed defined benefit pension scheme continues to be in significant deficit. There is a deficit reduction scheme in place to ensure these liabilities are fully met over the next 17 years, extended by the 2016 and 2019 valuations. Specialist advice is being sought which may slightly alter the position noted in the accounts.
- HSU has a free reserves availability of approx. £334k.
- In the event of insolvency, the company is limited by guarantee ie the liability in respect of the guarantee is limited to £1 per member of the company.

ZHS asked AB if there were any particular challenges encountered during the Audit process this year. He replied that the audit ran very smoothly and he paid credit to LA and her team for their hard work and efforts. In terms of management recommendations, AB noted that there were none in respect of UHSU Enterprises Ltd as the subsidiary did not operate for much of the pandemic year. He went on to say that a recommendation would be made in respect of the paperwork on the award of the subvention grant from UH as it would be beneficial if this notification could be more robust and formal.

In response to RE, AB said that essentially the audit regulations require Hillier Hopkins to examine income. In addition, a judgement is made on other areas of interest at the beginning of the process which normally include an examination of wages, expenditure processing and purchases amongst others.

DB noted that, in parallel to the financial audit, UH conduct an internal governance audit of HSU, with the last one taking place in 2019. This gave a substantially confident report to HSU despite advising of one or two governance changes that should be made. He went on to ask the Board that if they have any adjustments or amendments to make to the draft they are fed back to LA by Wednesday, 18th November. LA will review and forward to Hillier Hopkins. He closed this section by sincerely thanking AB for his time today and noted the Board's appreciation for the work undertaken.

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AB left the meeting at 4.50 pm

Appointment of the Auditors

DB noted the quality presentation of the Audit Report today and summarised the confidence of Hillier Hopkins in HSU’s financial position and reserves. He said it was now necessary to look to re-appoint Hillier Hopkins on a three-year contract or to go out to tender, although the nature of SU accounts makes the provision of this advice rather niche. He went on to say that Hillier Hopkins have been extremely supportive and helpful over the audit process, particularly in their provision of VAT advice, and that he strongly supported the recommendation to re-engage them for a further three years. The Board then received LA’s report on this matter. She noted that that she would also recommend their re-appointment given the good working relationships she and her team enjoy, the level of support and scrutiny provided, and the time Hillier Hopkins spent on the accounts. She supported DB’s comment that the provision of specialist support services that HSU have made use of, including an in-house VAT specialist and a cloud technology specialist, have been immensely valuable.

SF said that, for her, it was important that a good working relationship was already in place and that Hillier Hopkins were well-versed in HSU’s interests, offering help where needed. She also noted the high quality of presentation to the Board this year, and said she would support their re-appointment.

SI said that, notwithstanding this positive commentary, he felt it would be prudent to go out to tender to compare and contrast against other firms. Without this ‘due diligence’, he said he felt that Trustees were not meeting their responsibilities as a Board. SF said that this was certainly a valid point. However, prior to offering her recommendation to re-appoint, her understanding was that comparisons with other firms had already been undertaken, particularly in respect of fee structure. RH said that there is one other firm that could be appointed and that she and LA do keep abreast of their pricing structure. However, previously, this firm’s fees had been significantly higher than Hillier Hopkins. SI repeated that he would feel more comfort if the contract went out to tender, even if only in headline terms, rather than for the Board to take a more passive approach and to simply re-appoint.

RH highlighted that in the 2019 Internal Audit where finance and audit procedures were reviewed, HSU were given substantial levels of assurances. She said that, in her view, the services received from Hillier Hopkins were appropriately challenging, offering robust scrutiny and she noted her concerns around the risk of losing specialist advice if the decision not to re-appoint was taken. She said that it would be her preference to retain Hillier Hopkins.

LA said that it was likely to take 3-4 months to send out invitations to tender and to be certain of a ‘good fit’ with HSU. In terms of Hillier Hopkins, the contract is rolling.

Given the discussion today, DB therefore suggested that SF, SI, RH, LA and himself meet offline to examine this in further detail and to report back to the Board in due course with recommendations.

4. September Management Accounts

LA gave a summary of the year-to-date position. She noted:

- There has been no extraordinary income or expense.

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- A 1% share of commercial revenue is paid to UH and from September trading, £1,635 is 1% of total revenue.
- For September, Net Surplus is £49,112 and year-to-date is showing a surplus of £41,293.
- Commercial have exceeded all expectations for September with tickets sales of £63,223

compared to budget of £39,100, bar sales at £93,592 compared to budget of £59,214 and spend per head achieved £9.95 against expectation of £6.82.

- There was an overspend on student staff wages of 30% and 20% on overheads.
- Actual surplus for Commercial for the month was £54,331 compared to budget of £7,575.
- The Furlough scheme has now ended and the last payment has been paid.
- IT costs have been confirmed at £6k less than included in the budget along with the Pension Protection Fund which is saving £17k.

DB thanked LA for the update.

LA left the meeting 5.15 pm.

5. CEO update

The Board received the CEO's update. RH highlighted the following:

- Launch of #NeverOK Campaign. This flagship campaign has launched around the idea that all students deserve to be able to access their education and live on campus free from fear of harassment, discrimination and hate crimes. The objective of the campaign is to influence student behaviours and lobby UH to adopt a zero-tolerance approach to these behaviours. RH took the Board through HSU's commitments and objectives in detail. The campaign has launched through a series of images publicised in HSU's digital spaces and in the venue, and will be rolled-out at key points of the calendar such as the Welcome period, over the Christmas holiday period and towards the end of the academic year.
- Enhanced security measures across the Forum. AM updated the Board, in light of the national picture around student safety and 'spiking', on enhanced security measures. Many of these were already in place. There are now increased searches, issue of body-worn cameras to guards and management, increased education as to what can be brought into the venue, free bottle-stoppers and drink testing kits etc and increased training for staff. He noted there had been a few allegations of 'spiking' and some high levels of intoxication amongst students.
- Reclaim the Night on-campus vigil. RE reported on the event which supported the national Girls' Night In campaign, using the collective voice to protest against gender-based violence and harassment. She noted that the event in the Forum scheduled for the same night had been postponed as a sign of solidarity.

6. Sabbatical Officer report

The Board received the Sabbatical Officer report and the Officer team presented the major issues they have been working on and challenged by.

RE reported on her meeting with PG, the Vice-Chancellor, Dean of Students and the Head of Security to discuss safety on campus. It appears that there is a somewhat negative perception of the Security team amongst students although RE pointed out that, at times, the Security team are also treated negatively by students. It has been agreed that there will be a communication to

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students about security provision and what to do in an emergency, as well as improved customer services skills training for the Security team.

DB thanked the team for their feedback.

7. University update

MW updated the Board as follows:

- Enhanced security measures in the Forum and more broadly safety. MW said that this has been very well received by UH and she thanked the team wholeheartedly for their work in response to this issue.
- Return to campus. There has been a much lower footfall of students on campus and while there is high demand from students for face-to-face teaching and learning, there has been a low attendance and take-up. MW noted how concerning this was and indicative of a low level of engagement. Although there has been a new engagement policy introduced this year which tracks students online as well as face-to-face, MW expressed her concern as to how this will play out into student results at the end of Semester A and onwards into retention in subsequent years. MW acknowledged that some of the behaviours that were cemented during the pandemic will be difficult to shake such as reluctance to travel when services are accessible from home and from other places.
- Increasing face-to-face interactions for students with staff. For Semester B, in response to student feedback, face-to-face teaching and learning will increase. Room capacities are also due to increase to 100%, previously held at 75% across the majority of the campus for Semester A. It is hoped this increase will support academic staff in being able to increase the amount of time that they have face-to-face with students in Semester B. UH are also looking to increase the number of sessions available online alongside the number of sessions face-to-face. MW thanked ZHS for her very helpful contributions at the Timetabling Strategic Governance Group.
- Safety Net Policy. This has changed for the academic year with a focus on individuals this year rather than a Safety Net that changes the algorithm for all students. MW noted the robust nature of discussions around this contentious issue.
- Covid-19. UH has a very low rate of cases and a good uptake of testing kits to take away.
- Communicating UH's position on sustainability and climate catastrophe. Communications have been sent to staff and students on the excellent research that is underway within UH. There is a new institution-wide KPI related to sustainability and climate change, and this issue will therefore be central to conversations moving forward as UH moves towards delivering its net zero target by 2030.

8. Closed Business

The Board of Trustees discussed a confidential item of Closed Business.

Meeting ended at 6.15 pm.

Next Meeting: Wednesday, 24th November at 4.00 pm

Future dates:

Wednesday, 23rd February 2022 – 4.00 pm

Wednesday, 4th May 2022 – 4.00 pm

Wednesday, 15th June 2022 – 4.00 pm

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