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| **Trustee Board** Date: **Tuesday 14 March 2017**  Time: **5.30pm** Number: **30**  Venue: **Court Room, LBB, Edinburgh Campus, Riccarton** |

**In the Chair**: Stefan Kay, Trustee (SGK)

**Also Present** : Brian Hay, Trustee (BH)

Stephanie Harper, Trustee (SH)

Samantha Forsyth, Trustee (SF)

Jonathan Kean, Student Trustee (JK)

Philip Wiltshire, Student Trustee (PW)

Diarmuid Cowan, President (DC)

Sheona Dorrian, Vice President Community (SD)

Corto Pimenta, Vice President SBC (CP)

Eloise McNeaney, Vice President Wellbeing (EMcN)

**In Attendance**: Gail Edwards, Chief Executive Officer (GE)

Jamie Nutter, Head of Corporate Services & Depute CEO (JN)

Fiona Hall, Finance Manager (FH)

Iain Herbert, Commercial Manager (IH)

Gillian Fortune, Executive Assistant (Minute Taker)

**ACTION**

**2.2.1 Arrange Induction for Paul Travill SGK & GE**

**4.19 Instructions to GE for Shop Refurb Update on Email SGK**

**4.19 Updated Report on Shop Refurb to TB for Review on Email SGK**

**4.20 Investigate Alcohol License for Shop GE**

**4.21 Investigate Decant spaces on Campus GE**

**4.22 Revised Report to include Project Management Info GE**

**8.1.5 Touch Base with Unions re Labs etc in Edinbugh and SBC DC**

**8.4.4 Investigate Hoodies Competition and Sale at SBC GE**

**11.8 Increase Sabbatical Pay to £17,500 pa & Backdate to 1.3.17 GE**

**EXPENDITURE**

**5.3 £9,000 + VAT agreed for new Total Control System Finance**

**6.3 £7,720 + VAT agreed for new Tills Finance**

1. **WELCOME AND APOLOGIES**
	1. The Chair welcomed everyone to the meeting. With a warm welcome to Samantha Forsyth, who was now back working in Edinburgh and able to attend the meetings in person, rather than via Skype from London.

1.2 No Apologies were received for the meeting.

1. **MINUTES AND MATTERS ARISING**

2.1 **Factual Correction**: Jonathan Kean, pointed out that his studies are in Civil Engineering not Chemical Engineering as reported in the Minutes. This was noted.

2.1.1 The Minutes were approved and duly noted.

2.2 **University Trustee**: The CEO has approached the Secretary of the University on the subject of the University Representative on the Trustee Board on numerous occasions.

The CEO had now been notified that Paul Travill, Academic Registrar had been put forward as the University Representative. The CEO informed the Board that PT was well known to the Student Union, as she and the Sabbaticals had monthly meetings with PT so we already had a relationship with him.

2.2.1 Paul Travill was formally accepted as the University Representative on the Trustee Board. SGK and GE would arrange for an induction with PT on 27 March.

2.3 **Change to Agenda**: SGK asked that item 9 Sabbatical Pay be put back in the meeting to after AOCB. This was agreed.

1. **FINANCE UPDATE**

3.1 **Bank Services**: FH, Finance Manager gave a brief update on the cash collections which had recently and finally been arranged with RBS. There had been several glitches, but some chocolates, £100 refund and apologies given had helped relieve her concerns - just a bit. FH would continue to check other options.

3.2 **Auditors**: This would be the third year we had the same firm of auditors. Did the Student Union wish to continue till the five years review or did they want to change now. FH reported that the audit had gone well and she felt the services received were good and she was still happy with the current auditors. SGK asked if anyone had questions or comments. There were none and it was agreed to continue with the same firm of auditors for the next two years at which time a review would be instigated.

3.3 **Payroll**: FH and GJF had a meeting with the new, permanent, Payroll Department personnel. While there were still some doubts as to the service provided, they would try and remain optimistic.

3.4 **Management Accounts**: FH reported that figures overall for commercial were lower than expected, however this had been offset as the Audit fees not been paid yet, the contingency hadn’t been spent, the Student Engagement budget had not all been spent. There were several large amounts to be paid, the HR Consultant fees and the Audit fees which were still to be produced. Overall, positive and solid figures were up but gross profit and staff costs continued to be key issues.

3.4.1 BH asked if there had been a particular reason for the staff costs being higher. IH, Commercial Manager answered that he had employed agency staff on several occasions. Now, however, he had a better staff base. He hoped to claw back some of the over-spend and hopefully by the end of the year, there would be a better picture. Two new Shop Supervisors had been employed and he was looking at the staff rotas with the Managers to ensure they ran to the forecasted staff levels which were set down each month. Any extra staffing over the forecast limits had to be approved by either himself, the CEO or JN.

3.4.2 BH asked who was responsible for the staffing levels. IH informed him that all recruitment had to be approved by the CEO. IH explained to BH and the Trustee Board how he planned to tighten up the staffing levels and how this would be achieved.

3.4.3 SGK queried the staffing to profit ratios. IH clarified how the margins were set out. He informed the Board that the catering prices had been increased that day and that he would be looking at the margins. NUS had been called in to help and were going to check the current margins.

3.4.4 GE informed the Trustee Board that herself, FH and IH were currently working on several projects which they hoped would help and improve the reporting to enable better decisions to be made. The systems the Student Union currently use are different, so we need to look at the Total Control system and the staffing levels. The figures, using the Sun system did not show live hours, we were currently using a staff sign in system (Zest) rather than the Sun system. The staff figures need to be checked and made more immediate and Total Control would be used to check the profit margins by the Commercial Manager.

3.4.5 FH gave a brief report on future details.

3.4.6 SGK stated that he accepted things were difficult but we do need to know the information on a more up to date level.

3.4.7 IH stated that the rotas were set a month before. A number of staff who had been due to work till 11pm would consider it had been busier than they expected and would make the decision to work extra hours to tidy up and clean the premises for the next day. More control was needed and would be used from now.

3.4.8 SGK acknowledged that this had attitude had become institutionalised and it was now a problem. IH reported that he would be keeping an eye on it all. Line Managers should be accountable on what they were doing.

3.4.9 SH asked if the Line Managers need training to deal with the changes. IH stated that accountability would be delegated. The Team Leaders get a higher hourly rate and should be stepping in to make up staff shortages rather than getting another member of staff to come in and do the work. He perceived it as a control issue, with up to date reports being used in future this would help.

SH mentioned that her daughter worked in Costa Coffee and they had 45 minutes to close their shops. IH agreed that some of the Team Leaders were more efficient than others. Hands on management would be beneficial.

3.4.10 GE reported that the previous Bar Manager had not managed the staff well. The Team Leaders had been taking a different direction. All SMT agreed there should be an improvement.

3.4.11 FH discussed how historically staff levels were handled and how we do need to do more to be profitable. Queues can be a good thing, not a negative aspect of commercial services.

IH said that comparing this year to last year, it was evident that more work needed to be done.

1. **SHOP REFURBISHMENT**

4.1 A report on the proposed refurbishment of the Student Union Shop, which was located in the Hugh Nisbet Building, within the main University Building, had been circulated. IH and GE were leading on this project. GE went over the papers and reported on the Scotmid Stores they had visited. It is 20 years since the Student Union Shop had any work improvement done, except replacement of fridges when needed.

4.2 The Shop was a significant part of the commercial operation. SMT were in agreement that the Shop did indeed need work done.

4.3 The idea would be to increase the “grab and go” delivery with the convenience store aspect being kept in the background. Currently there are 2,100 people who live on campus.

4.4 GE continued giving the background to the report and how the Scotmid Stores operated. The CEO informed the Board of the intentions behind the report and the reasoning behind the conclusions.

4.5 IH followed with a brief report on his feeling that offering a higher quality feel to the Shop would improve and increase sales. IH gave more details on how he intended to bring this sense of quality to the Shop. He mentioned the great best seller in the Shop – flapjacks, but we didn’t really need to stock so many types, the top 5 favourites would do, with choices being offered in more than one location within the Shop. The frozen food offering in the Shop needs more thought, as well as a better display. Closed front fridges were not seen as a good marketing tool at this current time. Open fronted fridges were perceived as better for sales.

4.6 BH asked if VAT was included in the figures for the cost of the project. He also wondered who would be managing the contingency fund for the project.

4.7 GE answered that VAT was not included in the figures. As a charity we can recoup the VAT paid on the majority of the investment. When asked, FH confirmed that a high percentage of the VAT would be refunded. BH asked what month would be considered better for the refurbishment to take place. Financially for the VAT it would be better in July rather than August, when we would wait longer for the return of the investment. FH gave details of cash flow for this and other projects.

4.8 SGK asked about the justification for such a major investment, where would payback come from after the Student Union had spent the money. He didn’t see mention of this in the report. £80,000 was a substantial amount of money and he didn’t see where we would get this back. GE gave a brief report on how she thought this would be achieved. SGK insisted that the payback should be scheduled and went on to explain why he felt more details were necessary. He would like to see a straight business course on how this would be achieved.FH explained how she saw it working out. She gave figures and these were discussed in detail.

4.9 BH and SGK agreed that they were worried about the figures. They also felt that the potential loss of income during the refurbishment hadn’t been addressed. They wondered how this would be managed, would the shop stay open or would it close for a period of time. Would the stock be decanted to another location, what were the options and how would these affect cash flow.

4.10 GE explained how they had examined which month would be best for the refurbishment to take place. July would be ideal and she gave details of the figures she and FH had worked on. They had considered the old bookshop site as alternative premises, or The Advice Hub. Staff would be asked to take holidays during the refurbishment time. Loss of income in June and July were discussed.

4.11 BH confirmed that only labour costs had been included.

4.12 DC reported to the Board that the whole of the commercial area in the Hugh Nisbet Building was to be scheduled for refurbishment. If the Student Union Shop wasn’t improved, it would look even worse beside the other refurbished units. The Secretary of the University had made it plain that she considered the Shop to be in need of improvement.

4.13 SH asked about expert advice on the refurbishment. IH informed the Board that NUS would be asked to give their expert advice with regard to the layout of the shop, and how best to make use of the space. They would probably be able to help with the returns figures as well.

4.14 BH felt the paper needed further discussion with NUS, more sound finance information and how confident (low, medium or high risk) the figures were. He asked that the paper be deferred and a special meeting called to respond to the more detailed information which had been requested.

4.15 SGK agreed that in principle it was the right thing to do, but that the Board needed more information to work from.

4.16 SH asked about the proposed hot food offering. She felt it was a good way to go but wondered about staff time with preparation and how this would fit in with what was on offer nearby already. A discussion ensued about the hot food, prep time, risks, Brexit, University finance cuts, etc.

4.17 SH then asked if the Block Grant would be affected by the University financial cuts, Brexit and the reduction in student numbers. DC and EMcN had discussed this with the University and had been assured the Block Grant should be safe. The University had intimated in a staff letter that the Student Union was onside with them about the necessary financial cuts. DC had informed the University that the Student Union’s role would be to ensure the student experience did not suffer because of the cuts and redundancies. He assured the University that the SU would be keeping a careful eye on the overall effect any changes had on students. The Block Grant and other support was quite safe. EMcN gave a brief update on what had happened at the latest meeting. GE explained about the negotiations and the signed agreement on the Block Grant which had taken place two years ago when the Grant was renegotiated and how it would be automatically scaled up each year for the next three years. More discussion ensued on this subject.

PW asked for clarification on how student numbers affected the Block Grant.

4.18 Getting back to the refurbishment of the Student Shop, JK asked if a survey could be done to get the information on what the students would like stocked in the Shop (within reason of course!). Were the Student Union planning on having a survey for this purpose. He would certainly use the Shop more if it stocked more of the items he regularly used.

4.19 SGK reiterated that the Board and the Student Union wanted the Shop to be refurbished. SGK will send round a note of what he would like to see in the updated report. NUS needs to get more information together. SGK felt this would be more usefully done by email, and then if assurances were received, to get the job done, we could then give the go ahead to get the job done. Everyone agreed.

4.20 GE stated that it could take three weeks to get the questions answered. Did the Trustee Board want her to go ahead with the alcohol licensing paperwork – yes the Board wanted this to go ahead.

4.21 SH also asked that the decant space be explored to make sure it was available, if and when needed.

4.22 BH asked that the revised paper give details on how the project is going to be managed.

4.23 FH was thanked for all her hard work.

1. **TOTAL CONTROL**

5.1 FH gave a brief background report. FH, IH and JN had received a presentation from Fidelity. They now had a better idea of how the system can help them with live reports etc. Total Control is a commercial management information system. It will supply the detailed reports needed to control stock, staff etc etc. The risk involved, if the system was not upgraded soon was extreme. The upgrade would make life easier in accounting VAT.

5.2 BH asked why five were needed and where they were to be located. JN told the meeting that there would be two in the Shop Office, two in the Union Building and 1 elsewhere. FH explained why the terminals were all needed, especially in the Shop Office. SH asked if the upgrade would involve an increase in the license for the system. JN assured her this would not increase.

5.3 The Trustee Board agreed the expenditure of £9,000 + VAT.

1. **TILL REPLACEMENT**
	1. JN gave the background to the circulated report. He stated that there was a high risk involved if the tills were not replaced. Repairs could not be guaranteed as the tills were now obsolete. If we were to replace a till every six months, this would increase the cost. The easier and cheaper option was to replace them all at the same time.
	2. JN added that new printers were not required for the new tills, thus saving some money. The tills would be located in the Student Union Building only, 1 in Libertys Café; 2 in Zeros, 2 in Geordies and 1 in the Pizza Shop.

6.3 The Trustee Board agreed the expenditure of £7,720 + VAT.

1. **PERFORMANCE MANAGEMENT**

7.1 GE gave the Trustee Board an update on the Performance Management project. The Union had started the process with a visit from an NUS Consultant who reviewed the issues at various staff meetings. The Union then followed this up with a new Competency Framework, worked on by a Forum of SU staff and with guidance from an HR Consultant who took the project forward from there.

FH and IH left the meeting at 7pm.

7.2 GE gave a brief report on the background to the project and what will happen going forward. The SMT had looked at this topic on their Away Day and were now prepared to take it forward.

7.3 The old appraisal system will be finished up by May this year and then the performance management system will be launched to the staff in June 2017. Performance related pay will be considered, but it wasn’t clear how this will work.

7.4 SH asked about competency, and why commerciality wasn’t included, was it in the behaviours. GE said it had not been included as the framework was for all facets of the business. She had envisaged a high level of competency and accountability would be the first focus. Core staff factors were to have targets included.

7.5 There were no other comments.

1. **SABBATICAL REPORTS**

8.1 **President**: The report had been circulated with the meeting papers. DC gave a brief update on the proposed University cuts. He will be keeping an eye re how this will affect the teaching experience and research. Impacts were already felt re Brexit.

8.1.1 DC also reported on the Motions presented at the AGM. The lighting on campus was being improved.

8.1.2 We had the highest response, in Scotland, for our elections.

8.1.3 The President’s report had covered the following topics as well: Credit Union Society, L & T Oscars, Student Representation, Food Prices, Scottish Funding Council, Halls Report, Discover Islam Week, Student Engagement.

8.1.4 DC continued that the compensation for the students in the new Halls was progressing. Written reports for the University Court was a good thing as it optimised the voice the student had at this level within the University.

8.1.5 JK asked about UCL and UNITE’s position on the University financial cuts – had the President spoken to the Unions about the redundancies and how it may affect students who need the labs etc, this was very important. The President said he would touch base with the Unions and check on the situation at Scottish Borders Campus as well.

8.2 **Vice President Community**: The report had been circulated with the meeting papers. The headlines in the report were: Refreshers Week, Charities Week, Valentines Speed Dating Event, Elections Video, Societies Slam, Halls Meeting, Sponsorship Catch Up, Society Cards, Society Relay, Freshers Ball, Pub Quiz, Live Fridays, Monthly Calendar and ongoing project of healthier food options on offer in the Student Union.

8.2.1 SD updated on the Volunteer Awards which were the next big event going ahead. She had also booked several workshops, which would be taking place before the end of the current semester, all of which would be free to join in.

8.3 **Vice President Wellbeing**: The report had been circulated with the meeting papers. EMcN added that the Alpacas had been the most talked about item on the Wellbeing Week calendar. She would continue to push at EDAG for better lighting on campus and other Equality and Diversity projects.

8.3.1 The VP Wellbeing headings in the report were: Diversity Week, Scotland Welcomes the World, Inspire Her Future, Gender Stereotype Campaign, Whocares Scotland Training, Chaplaincy Annual Service & Dinner, Mental Health Conference, Wellbeing Week. Global Day had taken place earlier in the day and had been a great success, it was held in Oriam, as the venues within the Student Union weren’t big enough to hold the popular event.

8.3.2 EMcN was continuing the PREVENT Campaign and making sure the University as well as students were aware of the SU stance and the reasoning behind our decisions.

8.4 **Vice President SBC**: The report had been circulated with the meeting papers. CP informed the Board that he had visited several lectures and informed students as to what was available at the new student space, this seemed to be having an effect and the space was now being used regularly. He and the Administrator at SBC were looking into more appropriate signage to inform the University students about what was going on and making the HWU Student Union presence more apparent within the melee of the Borders College publicity.

8.4.1 The Headings in his report were: Pancake Day, Welfare/Wellbeing Events, Freshers Ball, Volunteers Awards, Student Online Survey, Studio Spaces, Gender Stereotyping Campaign, Global Student Liaison Committee. He felt a student survey would be helpful as more student feedback was needed.

8.4.2 Printing costs at the campus were expensive for the type and amount of printing SBC students needed for their coursework. DC informed the meeting that printing costs were being review across campus, so this may help with any work being done on this subject.

8.4.3 CP informed the meeting that prices for food and drinks in the Canteen were high for students, he hope to get a meeting arranged with Baxterstorey the caterers who operated the Canteen to see about reduced student rates being enforced.

8.4.4 CP was looking at a competition for a HWU Hoodie as part of a competition which would result in a specially designed Hoodie and/or T-Shirt for students to buy. This would be good exposure for the winning designer as well as encouraging students to buy the Hoodies. He also asked if he Hoodies and T-Shirts could be put on sale at SBC. GE would investigate if this idea was possible and get back to CP on this matter.

8.4.5 CP asked if he could get more information on the budget for SBC. He did not know how much money was available, how much had been spent and how much was left, so they could plan events, etc. He felt that more transparency was desperately needed. GE agreed this was an issue, the new commercial project was intended to speed up the availability of such reports.

The idea would be to get the finance system people in to show how we can improve our system and get more up to date reports. Next year the budgets would probably look and be done differently.

8.4.6 CP asked about licensing events so the Student Union could get profits from events through sales of alcohol rather than the venue only being profitable. GE informed the Board that it wasn’t possible to have an alcohol sales licence. We would also need to have a Personal Licence Holder on staff at SBC, which again, wasn’t possible.

SF informed the Trustee Board that her brother did a pop up bar at various events and she was sure this would work in Galashiels. GE stated that there are options we could use via nightclubs, but we are not aware of other providers.

8.5 SGK, the Chair, said thank you to the Sabbaticals for their varied and interesting reports. They were all certainly very busy and productive.

1. **CEO REPORT**

9.1 The CEO gave a brief verbal update on her written report which had been circulated. We had achieved a 22% voting rate for the recent elections, a rise on the year before, although not quite the 24% we had wanted but still a very good result. We had a very good incoming Sabbatical Team.

9.2 SMT had their Planning Day on 10th March. The Budget would be brought to the next Trustee Board. The SBC Budget would look different. Strategic plans were going forward and they were all involved with the new Performance Management plans.

9.3 No questions were asked on the CEO Report.

1. **GOVERNANCE, LEGAL AND BREXIT**

10.1 **Data Protection**: JN was meeting with Endsleigh and NUS Scotland to find out how the new Data Protection Act would affect the Student Union. Data Share with the University for our elections could be affected as well as CCTV coverage, we would probably have to be registered to use our CCTV.

10.2 The AGM Minutes and the Motions had been circulated. The Board had noted the progress made on the actions for the Motions from the Sabbatical Reports.

1. **SABBATICAL PAY**

The Vice Presidents left the meeting at 7.45pm.

The President remained in the meeting to enable quorum.

11.1 The Chair informed the Board of the background to this subject. He, BH, GE and DC had met previously to discuss the fact that the pay for our Sabbatical Officers had not been reviewed for some time, consequently lagging behind every other Union in Scotland.

11.2 He felt it right to recommend an increase in the Sabbatical salary to £17,500 per annum, to be backdated to 1st March and reviewed every year from now on.

11.3 BH agreed, he said it was clear from the meeting that the Sabbatical Officers were finding it financially difficult to cope in Edinburgh on the current salary rate. There had been pressure to take a second job to make ends meet. This was unacceptable. Sabbatical roles were a full time job. The new salary rate took us to the middle of the scale and was fair, equitable and reasonable.

The Sabbaticals carried responsibilities with each post and it was shame on us that we were now the lowest in Scotland, well done to the current Sabbaticals for drawing this to our attention and making us aware of the need for an increase in their salary rate.

11.4 PW stated that the new rate was comparable to the PhD funding so he was in favour of this increase.

11.5 DC informed the Board how SD and EMcN had needed to get second jobs to cope financially. Edinburgh was an expensive city to live in, rents etc were expensive. He felt that as there was no clear formula for setting Sabbatical salaries, NUS needed to address this and come up with a formula that would enable Student Unions to regulate the salaries of their Sabbatical Officers.

11.6 There was some discussion on the subject, with every Trustee putting their views forward.

11.7 GE stated that she had investigated this subject and as we were unable to compare the Sabbatical skill set with any other staff within the Union and University as well as the fact that they were elected representatives made comparisons with staff pay grades impossible.

11.8 All agreed that the Sabbatical salary rate should be increased to £17,500, backdated to 1st March 2017.

1. **DATE OF NEXT MEETING**

1.21 The next Trustee Board meeting would be held in the Student Union Building in Committee Room 1, on Tuesday 16th May 2017 at 5.30pm.