

**Portsmouth Students' Union Trading (PSUT) Limited
Board of Directors
MINUTES
3.00pm, 11th June 2019
Room 1, The Union Building**

ACTIONS

Action	Who	Update	Status
None			

CONFIDENTIAL ITEMS

None

Present:

Violet Karapaseva (VK - Chair), Sue Arnold (SA), Tom Worman (TW), Sophie Butler (SB), Charlotte Beaney (CB - interim), Baldev Gill (BG)

In Attendance:

Fern Lewis (FL), Rich Leader (RL), Chereilyn Cuthbert (CC), Laurie Jones - Minutes

1. Apologies for Absence

Anna Clodfelter (AC)

2. Welcome/Introduction - Rich Leader & Baldev Gill

3. Declaration of Interests

No declarations

VK declares interests for item 7.1 for conversations surrounding the Summer Ball/Grad Party

4. Minutes of Previous Meeting

Minutes from 26th February 2019 agreed.

Minute format: the Board prefer verbatim minutes in order to document conversations

5. Matters Arising and Action Points From Those Minutes

5.1 Revise the Terms of Reference regarding details around composition and who should support the chair (RL/AC) **No update - there will be a digital update**

6. Business Matters

6.1 Trading Report - for note and questions only - RL **Included in Item 6.2**

6.2 Business Development Update – CONFIDENTIAL DISCUSSION

BOARD OF DIRECTORS APPROVED THE AMENDED BUSINESS PLAN

BOARD OF DIRECTORS NOTED THE BUSINESS DEVELOPMENT UPDATE

7. Finance Matters

7.1 Q3 PSUT Management Accounts (RL)

RL:

- We are ahead YTD. Retail and Partnerships are exceeding targets. Mainly around merchandise, but also around corporate merchandise - this is to do with sales to the University for bespoke for campaigns. Shopper bags to come away from single use plastic. We are starting to see the word spread and more departments are aware and ordering. Plans for the current year will be to work on our partnership to continue to influence key personnel of the University to make purchases, to understand their needs and wants better and when their pinch points for the year are

- Partnerships line is ahead due to Purple Wednesday (income from night time economy) - this will be the end of this good time period with students going home
- We've reduced staffing costs
- R&D is all to do with the print shop

SA: Was the R&D not already planned this year?

RL: We've had more budget because of the underspends elsewhere

CC: It was agreed it was the right thing to do to make the investment so in 19/20 we will get the benefit

SA: Events - we are good YTD, but will be off by year end

RL: Summer Ball/Grad Party - there's been a few issues with Summer Ball, and the ticket sales were not good enough to support the event. Overall we will make a substantial loss on both events combined

SA: Is this the first time this has happened?

FL: We have changed Gradball - used to be one event held here. Last year we struggled to hit targets on tickets. It was agreed this year we would do it in partnership with Eskimo 11 and we couldn't hold on site due to works for the Sports Centre. It was agreed to have a Summer Ball which was less directed at graduates as we struggled to sell last year and to have a Grad Party which was a cheaper evening for students to celebrate graduation.

SA: Both didn't hit the ticket numbers?

RL: Summer Ball did not sell out, we sold 850/1900 plus this with the security and venue hire costs. This made a massive loss as an event. We are currently 120 tickets breaking even to Grad Party and anything after will reduce the deficit for the events line.

SA: It's interesting - what do they want? It would be interesting to see what to do next year?

RL: In the business plan, it's to get an outside business provider to provide this

SA: There must be lots of hidden costs with people's time etc.

CC: There is a paper in F&R that explains what went on and what mitigations are in place.

BOARD OF DIRECTORS NOTED THE Q3 MANAGEMENT ACCOUNTS

7.2 Budget Approval (RL)

RL:

- Looking ahead, we are looking healthy
- We're offsetting the potential reduction in Partnership income (ceasing agreement with BAM) as we don't know what it will look like. I feel quite comfortable and confident with that. If we can introduce the Presenting Partner concept this will help
- Potential income areas - we're looking at training/consultancy but it's not included in the budget. Recent changes to staff team has meant increase in management charges
- Additional costs to marketing - we'd be looking to push the Business. Alongside that we're looking at POS in the shop. At the moment there isn't any Sales POS we can whip out of the cupboard so we will be looking to invest there

SA: Include or exclude launching the Consultancy?

RL: This excludes this. We don't know how far down the line it will be before we get to that. We didn't want to plan for this incase we don't get to that point.

SA: At the moment the income is fairly comparable but you've got a hefty increase of costs here so you might come under some debate and discussions about being able to justify that and the long term benefit.

RL: The Presenting Partner concept, Print Shop and that we're looking to attract new partners will help to backfill this. I've met with some partners and the feedback was that they haven't had the level of service expected - it's the relationship building, updating, feedback, performance analysis of the campaigns and making sure they get value for money.

SA: SPIF at 3%?

RL: This is Staff Performance Incentive Fund for the commercial team. This will be introduced soon, but it hasn't been designed yet

SA: This is with gross profit not net? It would be good to understand the mechanics

RL: It's in the plan, but no thoughts to date. I'd be looking at using Shopify to make some informed decisions on what it will look like. If we took retail, I would rather not base it on income as if it's online sales staff haven't done anything. Realistically it would be transaction through the shop and if average transaction

amounts have increased or there's been upselling - there needs to be clear indicators from outstanding performance in order to reward

BG: Bonus on income/revenue is not always the best - it's how you manage them

RL: It's a tricky one to manage, before it was about the upsells really and that added value. Maybe we could look to introduce a mystery shop? I wouldn't know what it looks like but it would be useful to know in terms of data that we're addressing student needs and can get everything they'd hope to get. Especially as all the student housing is moving away from us, we want to make sure when someone comes in we've ticked all of their boxes so they return

SA: Do you offer a loyalty scheme?

RL: Not at the moment. Most purchases made by us are not through loyalty - it's nostalgic and community feel, being part of University

SA: Perhaps families in freshers week? Mum and Dad get hoody at the same time as their child?

VK: Other Union Shops sell t-shirts in childrens sizes 'I want to come to UoP like my sister' etc.

SA: You'll be able to execute this so much quicker in house in house with the print shop

CC: I'm quite excited about producing and how much income they will produce

SA: Do we still print students dissertations etc?

CC: They can submit a lot online

RL: We still provide the service

CB: Some courses don't submit online but the majority do

SA: Do students like the tangible of having one to take home as a physical piece of work?

CB: Lots of students will print it off still

CC: There has been a reduction though

SA: What about specialist binding - for your own copy, one for mum and dad?

VK: You could do a nice cover, gold embossed with name and year. If we are tapping into that nostalgia remembering what it was like to be here? Depends - one of my friends paid £160 for two colour copies. Whether people will pay depends on the cost. If it's that much I wouldn't print it, but if it's £20/£30 I perhaps would

BG: Management charges - these are forecasted to go up? They are charged 100%?

CC: Depends - every role is different. There is a % worked out depending on what used for PSUT. TW did a big piece of analysis on this. Someone who is solely used in PSUT will be 100%, whereas someone who is used for both, e.g. someone on reception would do UPSU and PSUT work which would be 50/50 or 40/60 for example.

SA: TW did this part way through the year. This is also an impacts of half a year vs full year - the full impact will be seen in 19/20

CC: Main difference for next year is upping of PSUT staff - 3 new staff members who are 100% funded by PSUT. 1 manager, 1 coordinator and 1 part-time lead role. That has been offset by reductions elsewhere - the NUS the affiliation will costs will be less, so PSUT have to pay less.

BOARD OF DIRECTORS APPROVED THE PSUT BUDGET

7.3 Finance & Risk Sub-Committee Highlight Reports and Minutes 26th February 2019 (AC)

Noted

8. AOB None

9. Date and Time of Next Meeting

Tuesday 27th August 2019 at 3pm - The Union Building

FL: Thanks to the Sabbatical Officers for the hard work over the last year - been instrumental on some of the big changes that have happened in PSUT, so thank you for your time and dedication

SA: Thanks for making me feel so welcome - this is only my third meeting, but it's been great.

Minutes Approved: _____

Date: _____