

**Finance & Risk Committee
MINUTES
3.30pm 22nd November 2016
The Board Room, Gun House**

Present:

Oludolapo Bolaji (OB - Chair), Ian Lockwood (IL), Tom Worman (TW), David Ayton (DA), James Belmonte (JB)

In Attendance:

Anna Clodfelter (AC - Advisory), Lucy Simpson – Minutes for 8.2a (present for items 8.2a & 8.1 only), Laurie Jones – Minutes for rest (absent from item 8.2a)

1. Apologies for Absence

None

2. Declaration of Interests

DA declared an interest for item 5.2

3. Minutes of Previous Meeting 23rd August 2016

Minutes of 23rd August approved.

4. Matters Arising and Action Points From Those Minutes

4.1 Meet to decide comms of the AU/Student Groups Sponsorship deal to student groups and the University – BC/AC **COMPLETED**

AC – update – agreed in last meeting: we would provide funding for students, but no need to do so
CONFIDENTIAL DISCUSSION REMOVED FOR PUBLICATION

4.2 Work with the Activities Team on the criteria for funding student groups for sponsorship from Union reserves – CC/AC - **COMPLETED**

4.3 Circulate report of AU Clubs overspend to F&R Committee via email – CC/AC – **Still under investigation, update to follow**

AC – we now have more detail – there are two issues: 1) budget – clubs are budgeted to overspend - has been addressed and 2) there is a sign off issue where budgets aren't being checked – this has also been addressed

FINANCE & RISK COMMITTEE AGREED FOR NO FURTHER UPDATES

4.4 Send details of cyber-insurance to TW - **COMPLETED**

TW – Ian Lockwood sent it from Taylor Made - we have run by main insurers: we are covered by our director's liability insurance. They offered Cyber Insurance package. We need to weigh up risk vs expenses – they recommend that we don't need it

IL – have you given any scenarios?

TW – the scenario you gave us was tested out – someone posed as Jason Oakley authorising money, but the processors picked up on it which was reassuring as didn't get past stage 1

IL – is there any internal training offered for people on clicking on stuff they shouldn't?

TW – no

IL – that's main problem – awareness training for members of staff about what to look for.

TW – I'll chat with IT – must have an IT package

Action – TW to investigate Cyber Crime training for staff and students

4.5 Update Board of Trustees on latest SUSS report – **COMPLETED**

4.6 Memorandum of Understanding via email – **COMPLETED**

5. Finance Matters

5.1 Quarterly Management Accounts

UPSU Management Accounts

Paper taken as read.

AC – Note: agreed expenditure out of budget from Project Manager Role (£35k) and forecasting savings of £35k, so we're on track. But you won't see the savings on the account from 1st quarter. Explained line by line – in addition to UPSU Quarterly Management Accounts is our reserves position
New item from Geoff Frost (GF) 5.1c

AC – this was a new request from meeting with our accountancy company so we can see where reserves sit. The description is: the first line is the unrestricted reserves figure brought forward from the statutory final accounts from prior year. Then we deduct what's happening in the quarter, then take off the netbook value of fixed assets which gives the free reserves figure. We are well over the reserves target – on 31st July we were well below, 5th September they are well above because we report reserves when we have least cash. Forecasting that we need to find £14,688 to get us up to the level of reserves. The target of free reserves line is tracking along middle.

OB – any questions?

IL – worth looking at mechanism for smoothing reserves – in terms of whether we can go below a fixed ceiling which is semi-artificial – we need to be able to pay management staff and debts to function – we could smooth out without having a fixed top line

AC – have to put this in question in item 8.2 about having that conversation about reserves policy and still have the protection

IL – I recommend that you give to potential financial advisor as a challenge

AC – reserves are a false position and reserves paper highlights some questions that I have

IL – we have a plan?

AC – yes. Sort of

FINANCE & RISK COMMITTEE NOTED AND ACCEPTED THE UPSU MANAGEMENT ACCOUNTS

PSUT Management Accounts

Paper taken as read.

TW – the management accounts are line by line

JB – surplus £22k – reasoning behind that?

TW – NUS extra cards and phasing – Domino's forecast to be over £25k – they paid half upfront rather than in quarters

IL – media sales was good, what caused that?

TW – Domino's again, but year-end we are forecasting a negative variance to budget. After Fresher's it slowed down and there are some performance issues. Fortunately we have it offset by savings and operational costs

JB – retail is down significantly, has it picked up?

TW – still supported by NUS extra – we're doing analysis to why clothing sales is down. Last year's weather might have had an impact on sales compared to last year. Lots of analysis to be done for retail clothing/merch. University open to discussion about us solely providing University merch so there is still discussion and analysis to be done.

IL – do students want University clothing?

TW – not convinced

JB – I think it's what kind of students are we hitting – sports students vs other students

TW – spontaneity buy; snuggle/sloppy/weekend wear; at graduation as memento; international students at Fresher's. The market is changing, but we have a new retail co-ordinator who can hopefully challenge this. Part of P25 is other methods etc.

FINANCE & RISK COMMITTEE NOTED THE PSUT MANAGEMENT ACCOUNTS

5.2 Group Funding Model Update

Paper taken as read.

AC – update – in process for funding model implementation. It has become apparent that the funding model does not answer all issues with funding. Clubs would get the same % of available subsidy money as was their % of costs to run club. Question: which bit do we subsidise because each club has different kinds of costs? There is more work to be done. The model has been agreed, we didn't say to clubs that they would have to pay H&S/insurance, so we cannot include these in costs to run. We have to go by our current budget headings. P25 - will help a solution fall out and the interim agreed plan will be implemented, ready for new budget

FINANCE & RISK COMMITTEE NOTED THE GROUP FUNDING UPDATE

6. Risk Management

6.1 Update on Risk Register (TW)

Paper taken as read.

TW – Also picks up item 6.5. Any questions? The NUS affiliation remains but it's worth a risk assessment

IL – what was the process to stay affiliated?

AC – held a referendum

TW – 1144 voters

OB – 76% in favour

IL – did you expect that?

DA/OB – Yes

JB – students see NUS as just a discount card, so why wouldn't you? And that's where tried to educate more about the NUS

OB – the negativity that we've had nationally from NUS, I wouldn't say UPSU students are not very political or aware of this; students didn't question topical matters about the NUS question and are more interested in the discount card

IL – what information did you provide?

OB – a yes and a no campaign where each produced a mini manifesto; a debate where 50 people attended; NUS representative for a Q&A

IL – interesting process

TW – One risk (as a side note) that we can tick off – the Purple Wednesday trademark is now ours – process completed

FINANCE & RISK COMMITTEE NOTED THE UPDATE ON RISK REGISTER

6.2 Update on H&S (TW)

Paper taken as read.

TW – Any questions?

JB – only 20% of high hazard activities have been submitted?

TW – yes, I'm addressing with activities and the deadline has passed

JB – There was a football incident

TW – and a rugby incident – football incident as well? I haven't had any paperwork. From a health and safety perspective, the risk assessment is something we need to work on

AC – can they not play until their risk assessment is submitted?

IL – how do you police?

TW – I haven't had a chance for a face to face chat yet with Becky

Action – AC to email Activities tomorrow morning – clubs will not play on Wednesday unless Risk Assessment submitted

TW – possible that they have submitted it and staff haven't updated the spreadsheet that they are recorded on

AC – they will update them or the teams won't play

OB – any questions?

DA – noticed that fire doors are held open with fire extinguishers

TW – trying to solve, and have put in regular requests but it's not forthcoming. We had a fire drill, and have a new one planned and it will be picked up as major issue

FINANCE & RISK COMMITTEE NOTED THE UPDATE ON H&S

6.3 Accident Report (TW)

Paper taken as read.

TW – Accident update – Football and Rugby incident this week

FINANCE & RISK COMMITTEE NOTED THE ACCIDENT REPORT

6.4 SUSS Pension Deficit (AC) CONFIDENTIAL DISCUSSION

Paper taken as read.

CONFIDENTIAL DISCUSSION REMOVED FROM PUBLICATION

6.5 Prevent Update (AC) (part of 6.1)

Paper taken as read.

FINANCE & RISK COMMITTEE NOTED THE PREVENT UPDATE

7. Audit

7.1 Final Audit Report from Blue Spire

AC – GF highlighted 'nothing to report' at Board of Trustees - Acceptance by this committee that you have seen and are satisfied with reports and nothing adverse in them. Good to note: all issues that we had in the department and moving across to zero, the audit findings were alright as we were at risk

FINANCE & RISK COMMITTEE NOTED AND ACCEPTED THE FINAL AUDIT REPORTS FOR UPSU AND PSUT

8. Any Other Business

8.1 P25 Update

LS – audit process (17th/18th November) was successful – staff buy in and UAB involvement was great. Spent a long time analysing the interesting information that came out of it. Refinement with OMG and Sabbs – made some difficult decisions and come up with plan. UAB and University Champion involvement was a benefit. Outcome = created a vision and now putting headline finances on it and bringing to Board on the 31st January 2017. From there, we will have more detail and financial planning when a decision is made by Board.

IL – how was it embraced by OMG staff?

LS – OMG were tricky to get into the head of but we had a good result in the refinement days and we came through the other side in agreement

AC – there was some resistance, defensiveness and distractions – there was some perception that what they did wasn't deemed valuable

LS – some things that we didn't see coming and needed additional guidance because of some weird results on the first day of audit – but it was corrected

IL – were there any big challenges?

LS – the vision was a big change - once the vision has come together, we will ask staff for feedback. There are some tight time scales between now next Champions meeting (16th December 2016)

IL – University engagement?

AC – Paul Hayes is involved. Part of the £100k funding was to do this work and in January we will identify 50 influential people in University and talk to them about the plans - cannot do this until we start modelling it

LS – Sabbir Ahmed (University Champion) is involved which is useful and engaging

IL – have you highlighted any areas that you could give back/take away to University that might cause conflict?

AC – there will be conversations with University about moving functions

IL – and taking some from them?

AC – yes, in particular quality assurance and feedback from students

IL – are you talking to people?

AC – no, just looking at functions at the moment.

IL – there are no individuals that are identifiable?

AC - no

FINANCE & RISK COMMITTEE NOTED THE P25 UPDATE

8.2 Reserves position and related matters update

CONFIDENTIAL DISCUSSION REMOVED FROM PUBLICATION

9. Date and Time of Next Meeting – 28th February 2017 @ 3.30pm

ACTIONS

Action	Who	Update	Status
4.4 - Investigate Cyber Crime training for staff and students	TW		Complete
6.2 - Email Activities 23/11/16 – clubs will not play on Wednesday unless Risk Assessment submitted	AC	Action not required as risk assessments were provided the following day	Complete
6.4 Talk to University regarding SUSS Pension Deficit Payment and write full recommendation including University response ready for Board of Trustees 31/01/17	AC		Complete
8.2 – AC to draft proposal and bring to next Finance & Risk Committee meeting	AC		Complete

CONFIDENTIAL ITEMS

4.4 - Student Group Sponsorship	Confidential Discussion
6.4 - SUSS Pension Deficit	Confidential Item
8.2 – Reserves position and related matter	Confidential Item

Minutes Approved: _____

Date: _____