

Meeting:	<b>Finance &amp; Audit Committee</b>		
Location:	<b>Microsoft Teams Meeting</b>		
Date & Time:	<b>Thursday 26<sup>th</sup> August 2021 at 9am</b>		
<b>Present:</b>			
Elizabeth Stacey	Sport Officers ( <i>Chair</i> )		
Jordan Kenny	Independent Trustee		
Valerie Copenhagen	Independent Trustee		
Kate Aldridge	Independent Trustee		
<b>In attendance:</b>			
Nicky Passmore	Chief Executive		
Gregory Noakes	Governance & Executive Support Manager ( <i>Secretary</i> )		
Helen McHenry	Head of Finance		
Ruth Haynes	Finance Manager		
Mike Dalton	Head of Commercial ( <i>Present for agenda item 9</i> )		
Item			
1.	<b>Apologies for absence</b>		
	<b>Name</b>	<b>Reason</b>	<b>Accepted</b>
	Annie Willingham	Annual Leave	Yes
	Rob Clay	Holiday	Yes
2.	<b>Notice of any other business</b>		
	The following item was identified and discussed as any other business.		
	1) Commercial plans		
3.	<b>Declaration of conflict of interest</b>		
	No one had any conflicts of interests to declare in any items on the agenda.		
4.	<b>Minutes of the previous meeting and matters arising</b>		
	The Committee approved the previous minutes and noted that there was only one outstanding action left to be completed.		
	They discussed the action to identify charity grants to support The SU and agreed that this would be still worth pursuing. Currently The SU did not have the in-house expertise to do this but there was a possibility that Valerie Copenhagen might be able to support the finance team with this.		
	<b>ACTION: The Chief Executive and Valerie Copenhagen to discuss grants and provide update at the next meeting.</b>		
	<i>(Valerie Copenhagen joined the meeting at this point).</i>		
5.	<b>Finance &amp; Audit</b>		
	The Committee received a report on finance and audit matters ( <i>see R1 of the Committee reports</i> ).		
	The Head of Finance reported that the management accounts attached to the report were draft and might still be subject to possible change, though these were predicted to be minor if any.		

	<p>The forecasted deficit was £62k against the operating budget of £213k, which was well under the £150k the Committee had previously set as a maximum to be used from the reserves. Currently The SU was still working under the scenario 1 budget plan for the new year.</p> <p>The Committee discussed adopting the approach of including an analysis of the variance in the budget in terms of <i>'timing'</i> vs. <i>'permanent'</i>. Timing means the variance is expected to disappear later (eg <i>underspend appears on 'Events', but this is because Summer Ball has not happened yet</i>) and Permanent means the variance is expected to persist through to year-end and drive a higher/lower deficit/surplus (eg <i>the Summer Ball has happened and cost less than budgeted for</i>).</p> <p>The Head of Finance explained that this approach had been previously tried in the past but had been quite tricky to implement successfully. They suggested as an alternative that they could start including forecasts within the report going forward. The new Finance Manager would review the current reports formats and make improvements.</p> <p>The committee discussed and agreed that going forward forecasts should be included within the report.</p> <p><b>ACTION: Finance Manager/Head of Finance to include forecasts within future reports</b></p>
6.	<p><b>Reserves Policy</b></p> <p>The Committee received a report on the reserves policy (see R2 of the Committee reports).</p> <p>The Head of Finance explained the background behind the reserves policy and the two options being recommended for calculating the minimum free reserves amount. Normally the Charity Commission prefer the policy to state an amount of time that this will cover operational costs for. However, having discussed this with the auditors they have explained that the Charity Commission are more lenient with student unions due to their funding arrangements with Universities. Currently a lot of Student Unions were reviewing their reserves policies in the light of the impact of the pandemic.</p> <p>The Committee discussed option 1 and noted that if the grant were to go down this would result in The SU paying more money into the reserves. It was noted that the University would be unlikely to significantly cut the grant without prior consultation as it would likely have a significant impact on both organisations. They also agreed that in order to ensure the calculation remained appropriate this should be reviewed yearly.</p> <p><b>QUESTION:</b> A Trustee asked if this policy should be shared with the University for feedback.  <b>ANSWER:</b> The Chief Executive suggested that were other immediate priorities that needed to be worked on in terms of the relationship with the University.</p> <p>The Committee approved recommending the reserves policy to the Board using option 1 for calculating the minimum free reserves amount. They agreed that this calculation should be reviewed yearly.</p> <p><b>ACTION: Reserves policy to be recommended to the Board for adoption.</b></p> <p><b>ACTION: Reserves policy to be shared with Rob Clay for feedback.</b></p>
7.	<p><b>Risk Register</b></p> <p>The Committee received a report on the risk register (see R3 of the Committee reports).</p>

	<p>They discussed the health &amp; safety risk and agreed that The SU should be able to do more to reduce the net risk down further. The Chief Executive reported that a health &amp; safety policy was being developed along with an appropriate monitoring framework that would then allow for suitable assurance reports to be submitted to the Board. Once these measures were in place, which should be by December, this would then mean that the net risk could be reduced further.</p> <p>The Chief Executive reported on the high staff turnover (15%) that had happened in the last three months. Having discussed this with HR and other student unions they were confident that there were no underlying issues that the Board should be concerned about. This was because exit interviews were mostly expressing positive comments and other student unions were reporting similar high turnover. The student unions at Bristol and Cardiff had both reported higher staff turnover which they were finding was down to post-covid feelings.</p> <p>The Committee approved recommending the risk register to the Board.</p> <p><b>ACTION: Risk register to be recommended to the Board for adoption.</b></p>
8.	<p><b>Risk Management Policy</b></p> <p>The Committee received a report on the risk management policy (see R4 of the Committee reports).</p> <p>The Committee approved and adopted the risk management policy.</p>
9.	<p><b>Any other business</b></p> <p><b>1) Commercial plans</b></p> <p><i>(The Head of Commercial joined the meeting at this point).</i></p> <p>The Head of Commercial reported on commercial plans for the year ahead. Overall they were planning to take a cautious approach towards commercial activities this year. Currently the worst case scenario was predicting a 10% drop in commercial income.</p> <p>A physical Freshers week had been planned and would be going ahead. In a change to the normal format The SU would be running two weeks with the first week being for the second years who missed out last year due to the pandemic. The event was likely to be the highest risk activity run on campus this year but appropriate measures were being put in place to ensure it was as safe as possible. In the unlikely event that Freshers week was cancelled due to covid the University had given their assurances that they would cover all the costs.</p> <p>The biggest operational challenge for The SU was the lack of experienced returning bar staff. To address this, training would be given to staff the week before the event began.</p> <p>The Head of Commercial reported that during the pandemic The SU had explored a number different events that they had never done before such as gin nights. These had been very successful and they were planning to continue to do these along with branching out a bit more to try to create some more diverse nights to bring in more non-regular customers.</p> <p>The Committee thanked the Head of Commercial for their update and expressed confidence in their proposed plans going forward.</p>

	The Head of Finance requested that their thanks be minuted to Rob Clay for all the help and support that they had given during their time as Trustee with The SU. It was noted that the Board would be formally thanking Rob Clay at their upcoming meeting in September.
10.	<p><b>To set the date and time of future meetings</b></p> <p>The Committee agreed the following dates and times for future committee meetings:</p> <ul style="list-style-type: none"> <li>• Thursday 11th November 2021 9-11am</li> <li>• Monday 14th March 2022 9-11am</li> <li>• Thursday 19th May 2022 9-11am</li> </ul>

**The meeting ended at 10.30am**

Item	Action	Action Owner	Exp Finish
4	To discuss grants with Valerie Copenhagen and provide update at the next meeting.	Chief Executive	11/11/2021
5	To include forecasts within future reports	Head of Finance	11/11/2021
6	Reserves policy to be recommended to the Board for adoption	Governance & Executive Support Manager	09/09/2021
6	Reserves policy to be shared with Rob Clay for feedback	Head of Finance	09/09/2021
7	Risk register to be recommended to the Board for adoption.	Governance & Executive Support Manager	09/09/2021