

Meeting:	Finance & Audit Committee		
Location:	Microsoft Teams Meeting		
Date & Time:	Thursday 27th August 2020 at 9am		
Present:			
Tom Sawko	Sport Officer (<i>Chair</i>)		
Jordan Kenny	Independent Trustee		
Katie Aldridge	Independent Trustee		
Rob Clay	Independent Trustee		
Valerie Copenhagen	Independent Trustee		
In attendance:			
Gregory Noakes	Governance & Executive Support Manager (<i>Secretary</i>)		
Helen McHenry	Head of Finance		
Andrew McLaughlin	Chief Executive		
Item			
1.	Apologies for absence		
	Name	Reason	Accepted
	Francesco Masala	Annual Leave	Yes
2.	Notice of any other business		
	No items were identified for discussion under any other business.		
3.	Declaration of conflict of interest		
	No conflicts of interests were declared in any items on the agenda.		
4.	Minutes of the previous meeting and matters arising		
	The Committee received a report on the minutes of the previous meeting and matters arising (<i>See R1 of the Committee reports</i>).		
	They approved the previous minutes for the Chair to sign and noted that the following matters were still to be actioned:		
	ACTION: The Head of Finance to check what the impact of the proposed change to the limit authorisation would have been on last year's asset register.		
5.	Finance & Audit		
	The Committee received a report on finance and audit matters (<i>see R2 of the Committee reports</i>).		
	QUESTION: A Trustee asked how much reserves did The SU have at the start of the year.		
	ANSWER: The Head of Finance reported that The SU had begun the year with £430,000 in the reserves.		
	(Valerie Copenhagen joined the meeting at this point)		
	QUESTION: A Trustee asked if using the reserves to support operating costs would be considered a reasonable use of the reserves.		

ANSWER: A Trustee explained that one of the primary reasons for having reserves was to provide The SU with an emergency fund to support it during times of financial difficulties.

The Committee discussed the likelihood of Scenario Two occurring and concluded that activities such as club nights would be unlikely to resume until September 2021. While it was possible that restrictions might be lifted sooner plans should not rely on this. Instead plans should identify decisions that could be taken in-year to make further crucial savings if needed.

The Chief Executive advised that students will be expecting to have activities and if these are not available they will likely self-organise these increasing the risk of transmission. In the event of a local lockdown the impact to the budget will likely be more severe as there will be no furlough scheme to support staffing costs.

The Committee agreed that The SU should plan for a maximum -£150,000 deficit budget, but wherever possible actions should be taken in-year to reduce this further. This will ensure that there are still reserves for next year where further actions may be necessary depending on what the situation is with COVID-19. In order to achieve this deficit budget it will be necessary for additional savings to be identified by senior management and applied top down in the event that actual circumstances turn out closer to Scenario Two than Scenario One. These savings should be identified now and, as far as possible, we should also identify decision points where each saving would need to be enacted in order to stay within the maximum deficit, as we get a clearer view of Income through the year.

ACTION: The Head of Finance/Chief Executive to prepare a budget plan for a -£150,000 deficit. This to include a list of additional decisions that can be made in-year to make further savings if the need arises.

The Committee discussed looking at grants that may be available to them as a charity. There were currently a lot of COVID-19 response grants out there for charities to apply for which could be used to support everything from staffing to maintenance costs. A Trustee volunteered to support The SU with this piece of work.

ACTION: The Head of Finance and Valerie Copenhagen to identify charity grants to apply for to help support The SU through the pandemic.

The Committee discussed the auditor's recommendation that The SU should have three year financial plans. Currently this wasn't possible because the University determined the block grant to be given to The SU on a yearly basis making it impossible to plan more than a year ahead. If the University reduced the block grant next year this would have major implications for The SU operating budget.

QUESTION: A Trustee asked how Freshers' Week 2020 was being funded.

ANSWER: The Head of Finance explained that the University were paying the full costs for this event.

QUESTION: A Trustee asked if any more savings could be made by reducing the need for casual staff?

ANSWER: The Head of Finance advised that this part of the budget had already been cut down to the absolute bare essentials.

QUESTION: The Chair asked if there would be any potential to generate income from the acquisition of the Edge.

ANSWER: The Head of Finance advised that they currently have no information for this to be able to factor it into the budget.

(Rob Clay left the meeting at this point)

	<p>QUESTION: A Trustee asked if the Head of Finance felt they had enough support to do the required necessary work.</p> <p>ANSWER: The Head of Finance explained that their work was being impacted by a recurring staff absence within their team. However, they felt strongly supported by the committee and RSM auditors. The Chief Executive reported that HR were aware of the issues and were working closely with The SU to address the matter.</p> <p>QUESTION: A Trustee asked if there was anything that could be done provide short term support.</p> <p>ANSWER: The Head of Finance explained that they felt they would be better supported once their term time staff returned to work as this would free up their time to focus more on this work.</p> <p>QUESTION: A Trustee asked at what point does the Charity have to report to the Charity Commission.</p> <p>ANSWER: The Head of Finance advised that The SU was not yet at the point where it needed to report to the Charity Commission. Financially the Charity Commission would want to be reported to in the event of fraud, significant financial loss or insolvency.</p> <p>The Committee discussed and agreed that The SU needs to communicate clearly to the University it's budget plans so that they understand how it could potentially impact them. Understanding some of the decisions that may need to be made under the worst case scenario might prompt them to consider giving financial support to The SU. The University has previously been pleased with The SU ability to manage its budget appropriately.</p> <p>ACTION: The Chief Executive to draft communications to go out to key stakeholders communicating SU priorities for during the pandemic.</p> <p><i>(Valerie Copenhagen left the meeting at this point)</i></p>
6.	<p>Risk Management</p> <p>The Committee received a report on risk management (<i>see R3 of the Committee reports</i>).</p> <p>The Committee reviewed the risk register and agreed that the impact of the <i>'failure to handle reputational risk'</i> needs to be updated to reflect the greater risk associated with COVID-19.</p>
7.	<p>Any other business</p> <p>No items had been previously identified for discussion under any other business.</p>
8.	<p>To confirm the date and time of future meetings</p> <p>The Committee agreed the following dates and times for future committee meetings:</p> <ul style="list-style-type: none"> • Thursday 22nd October 2020 9-11am • Thursday 19th November 2020 9-11am • Thursday 17th December 2020 9-11am • Thursday 21st January 2021 9-11am • Monday 15th March 2021 9-11am • Thursday 20th May 2021 9-11am
<p>The meeting ended at 11.10am.</p>	

Item number	Action
4	The Head of Finance to check what the impact of the proposed change to the limit authorisation would have been on last year's asset register.
5	The Head of Finance/Chief Executive to prepare a budget plan for a -£150,000 deficit. This to include a list of additional decisions that can be made in-year to make further savings if the need arises.
5	The Head of Finance and Valerie Copenhagen to identify charity grants to apply for to help support The SU through the pandemic.
5	The Chief Executive to draft communications to go out to key stakeholders communicating SU priorities for during the pandemic.