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**NATIONAL
CONFERENCE
2014**

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Trustee Board Report
CD7

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NUS UK Trustee Board

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Date Produced:	05/03/2014
Chair	Toni Pearce (elected 2013)
Officer Trustees	Stephanie Lloyd (elected by NEC 2013) Gordon Maloney (elected by NEC 2013) Raechel Matthey (elected by NEC 2013) Rachel Wenstone (elected by NEC 2013)
Student Trustees	Edward Bauer (elected 2012) Tessa Birley (elected 2012) Matt East (elected 2012) Kayode Damali (elected 2013) Abigail Jenkins (elected 2013) Nick Pringle (elected 2013)
Lay Trustees	Mike Alcock (appointed 2012) Kate Reynolds (appointed 2013) Dianne Nelmes (appointed 2012) Alistair Wilson (appointed 2012)
Action:	National Conference will be asked to vote to approve this report

What does the Trustee Board do?

The Board of Trustees shall be responsible for the management and administration of the National Union and may exercise all the powers of the National Union as set out in these Articles of Association and the Rules. Subject to Article 69 below the Trustee Board's principal function in exercising its powers, duties and functions shall be to serve the aims, objects and wishes of the National Conference, National Executive Council and committees in line with Policy set out by those bodies.

No alteration of these Articles or the Rules shall invalidate any prior act of the Trustees which would have been valid if that alteration had not been made. A meeting of the Trustees at which a quorum is present may exercise all powers exercisable by the Trustees.

The Board of Trustees' powers under Article 67 shall include but not be limited to ultimate responsibility for the:

- management and administration of the National Union;
- the Detailed Internal Budgets of the National Union; and
- in conjunction with the National Executive Council, the formulation and proposal to the National Conference of the Budget of the National Union as presented by the National President.

The Board of Trustees shall only have the power to overrule administrative implications of decisions of the National Conference, the National Executive Council, the Nations, the Liberation Campaigns, the Student Sections, the Zones and/or the Democratic Procedures Committee on the following grounds:

- financial risk; and
- legal requirements;
- and the Trustee Board shall seek appropriate external advice before exercising its power to overrule and shall report every exercise of its power to overrule the National Conference in line with the Rules.

The Trustee Board does not have any power to overrule or amend Policy and it does not have the power to overrule Rule changes made by the National Conference. In addition, the NEC can with a two-thirds majority remove members from the Trustee board, or the whole board except the National President.





When has the Trustee Board met?

Since National Conference 2013 the Trustee Board has met four times on the 25 June 2013, 18 September 2013, 22 November 2013, and 21 February 2014, as well as remotely via phone or email as required. The attendance of the Board members is reported below, for those who were appointed in 2012 we are reporting on the last 4 meetings and for those who were appointed in 2013 we are reporting on the last 3 meetings.

There are also two sub committees of the Board which has met three times since National Conference 2013.

The Audit, Risk and Remuneration (ARR) Sub Committee has met on the 28 August 2013, 29 October 2013 and the 29 January 2014. Members include Mike Alcock (Chair), Nick Pringle, Rachel Wenstone and lay members from Students' Unions; Jon Berg and Martyn Williams.

The Human Resources (HR) Sub Committee has met on the 29 August 2013, 30 October 2013 and 5 February 2014. Members include Kate Reynolds (Chair), Tessa Birley, Stephanie Lloyd and lay members from Students' Unions; Nicole Fox and Lisa Brown.

Attendance

	Meetings attended since June 25th 2013	Absence with apologies	Absence without apologies
Officer Trustees			
Toni Pearce	3/3		
Stephanie Lloyd	4/4		
Gordon Maloney	3/3		
Raechel Matthey	2/3	1/3	
Rachel Wenstone	4/4		
Student Trustees			
Edward Bauer	1/4	1/4	2/4
Tessa Birley	4/4		
Matt East	3/4	1/4	
Abigail Jenkins	3/3		
Kayode Damali	3/3		
Nick Pringle	3/3		
Lay Trustees			
Mike Alcock	3/4	1/4	
Dianne Nelmes	4/4		
Kate Reynolds	2/3	1/3	
Alistair Wilson	4/4		



Overview of work and decisions of the Trustee Board

Main Priorities	Progress (what has been achieved since Conference 2013)
Administration & Appointments	<p>Re-appointed Dianne Nelmes as vice-chair of the Trustee Board</p> <p>Appointed Kate Reynolds as trustee with HR responsibility and as HR sub committee Chair</p> <p>Appointed Stephanie Lloyd and Tessa Birley to the HR sub-committee</p> <p>Appointed Kate Reynolds as the Board's Diversity champion</p> <p>Re-appointed Mike Alcock as chair of the Audit, Risk and Remuneration Committee</p> <p>Re-appointed Rachel Wenstone and appointed Nick Pringle to Audit, Risk and Remuneration Committee</p> <p>Re-appointed Dianne Nelmes and appointed Kayode Damali to the Nominations Committee</p> <p>Re-appointed Stephanie Lloyd, Alistair Wilson and Matt East and appointed Abigail Jenkins and Gordon Maloney to the NUS Students' Union Charitable Services Board</p> <p>Re-appointed Alistair Wilson to supervising trustee for code of conduct.</p> <p>Approved a cycle of business over 4 meetings in the year</p>
Reports	<p>Received reports from the Chief Executive</p> <p>Noted the work of the National Executive Council and Zone Conferences</p> <p>Received reports from the Audit Risk and Remuneration Committee</p> <p>Received reports from the Human Resources Sub Committee</p>
Strategy	<p>Started a wide consultation on the new Strategic Plan and received regular updates</p> <p>Set Key Performance Indicators (KPIs) for the organisation and monitored progress against them and also reviewed and improved how these should be reported across the organisation</p> <p>Approved the 2013/14 Operating Plan</p> <p>Approved a Governance Strategy</p> <p>Received regular updates on the People (HR) Strategy</p> <p>Received an update on the Financial Strategy</p> <p>Approved an Estates Strategy</p> <p>Approved an IT Strategy</p> <p>Approved an Equality and Diversity Strategy</p> <p>Received an update on a Communications and Marketing Strategy</p> <p>Approved a Social Media policy</p> <p>Received updates on NUS Digital</p>
Finance and Risk	<p>Received minutes and reports of the Audit, Risk and Remuneration sub committee</p> <p>Monitored Management Accounts and Cash flow positions for the organisation</p> <p>Approved the Detailed Internal Budgets 2013/14</p> <p>Monitored work on the SUSS Pension scheme as an employer and lead representative of employers within the scheme</p> <p>Considered alternative affiliation models to ease the burden on local students' unions</p> <p>Approved Hardship and Abatement claims for students' unions</p> <p>Monitored at each meeting the Risk register for the Group</p> <p>Approved a process for monitoring liable</p> <p>Approved the Accounts for 2012/13</p> <p>With the NEC proposed the Estimates for 2014/15</p>
Human Resources	<p>Received the staff survey results</p> <p>Approved action plan following results of the staff survey</p> <p>Received an update on the code of conduct review</p> <p>Received regular updates from the harmonisation sub committee on staff terms and conditions</p>
Corporate Governance	<p>Approved an NUS Group wide Finance and Risk Committee to replace the two spread across NUS UK and NUS Services</p>



Report from the Chair of the Trustee Board

Earlier on in this report I have listed the decisions that have been made by the Board this year but I'd like to take this opportunity to highlight and detail some of the main areas of work that have been discussed and approved by the Board and the impact this has and will have on our membership and students. One of the biggest areas of work this year has been on forming the new Strategic Plan for 2014 onwards. We launched a wide consultation and this has been detailed below in the report.

Funding NUS' activity and campaigns

A more efficient NUS requires close work with all the organisations in our structure: NUS UK, NUS Services and NUS Students' Unions Charitable Services. As the controlling body of the group we have ensured that less money is spent on backroom functions so there is more available for campaigning for change and fulfilling the wishes of the NEC and conference. The Estimates for 2014-15 show receipts of £3.9m, after abatements and hardships.

The financial difficulties that NUS UK faced in the past do still have an effect on our outlook, hence a need to build our reserves. However the Trustee Board, and specifically the Audit, Risk and Remuneration sub-committee have ensured that our financial management is robust, as reflected in a reasonable surplus being generated in 2012/13 and the 2013/14 forecast being in line with expectations set in last year's Estimates and Budget.

In 2013 we proposed the next step in achieving a coherent NUS Group, by offering to purchase all of the shares in NUS Services that NUS (through NUS Holdings) didn't own. Over the last five years the activity of NUS Services has expanded from primarily being a purchasing consortium to include: the NUS Extra card, research for unions and the development of UnionCloud. I am pleased to report that by the end of December 2013 we had received acceptances from over 90% of the 215 shareholders and so those shares were acquired by NUS Holdings. This will enable greater levels of participation and democracy in NUS Services through the cooperative enterprise units.

As we complete the strategic review we will revise the three year forecast for the NUS Group, in line with those strategic objectives. This will be launched at Students' Unions 2014. It is very much part of the planning cycle for the next three years. The objective of this is to ensure that we balance risk across the Group as well as achieve financial stability and sustainability.

Extending and communicating our impact

2013-14 has been the first year in which the NUS Group has operated under its new brand. The incredibly in-depth work we did on the brand in the eighteen months leading up to launching has proved to be invaluable. Not only in ensuring we're engaging our members in the right way, but the insights we gained into how our members perceive us has played a huge part in underpinning the development of our next strategic plan.

We are using advanced brand tracking research against a number of our audiences to measure the effectiveness of our new brand, and this is also informing our communications content plans and strategies. Already we have made big changes to the way we message students and we are currently overhauling our member union communications as well. Improvements include an entirely new NUS Connect website, which we will launch in the 2014-15 reporting period.

Last summer we produced an interactive impact report which highlighted the scope and volume of achievements NUS has made alongside its members. We also included a space for students' unions, and individual students, to include their own impacts which we believe highlights our collective power.

As part of the brand rollout we have also been working to achieve greater brand power for students' unions through our 'Proudly Part of NUS' Campaign, a project where NUS creates resources to assist students' unions in marketing their unique value to their members. The campaign has so far produced





plaques for every students' union, along with a video explaining the value of students' unions to students, and another video, also aimed at students, explaining the need for liberation. This campaign is still in its infancy and we are excited about where it will go next.

As technology progresses, NUS has ensured we have stayed ahead of the curve in the way we communicate with students. www.nus.org.uk, our student-facing website has been consistently increasing in popularity, achieving a massive 47% more unique visits than the year before at time of writing. Our social network accounts are also increasing well month-on-month (with around 40,000 subscribers to each of our main Twitter and Facebook accounts at time of writing). By using the brand power of the NUS Extra card to promote our campaigning and advocacy work, we are reaching more students in both Further and Higher Education than ever before.

NUS Digital – Reach, intelligence & Income through new media

NUS Digital, along with NUS Media, was conceived out of the 2011-2014 Strategic Plan as an answer to the concern from membership that money was leaking out of the movement along with a need to collectively fight for the rights of 7 million students. As a campaigning tool, locally and nationally, this is very much still the mission.

Our digital platform hosts a number of products and initiatives which have developed over the past year, one such product being the 'union in a box', mobile ready UnionCloud service. UnionCloud supports members at a local level to engage with their own students via mobile device or desktop website without requiring any technical development skills in house. It provides web site editor tools, a membership management system, email tools, event and eticketing solution, online shop, social media integration, volunteering and evoting solutions that work together to provide a fully integrated suite of tools to provide reach, intelligence and income at a local level.

UnionCloud was fully launched in the summer of 2012, with the product and our processes maturing significantly over that time. During the 1st semester 2013 academic year alone we handled:

- The implementation and needs of 37 Students' Unions ranging from the largest institutions to small and specialist and FE colleges.
- Requests for over 8.5m web pages
- Over 3,000 clubs & societies with 80,000 members
- 5,500 events and processed 53,000 etickets
- £1.2m of transactions via our no hassle back office, centralised payment processing service.

There have been some challenges involved implementing the elections module of NUS Digital, in which a calculation problem in the autumn election round needed to be resolved and numerous complex bespoke election requirements needed to be met. At the time of writing we can report for the spring election round: 100% accuracy on counting logic, and circa 37,000 unique voters and 200,000 votes collected.

We've also been trialling our powerful data insights service NUS Analytics with some of our current users which will allow members to examine digital engagement levels across a range of KPIs in real time and compare performance to other participating students' unions.

In addition, we've also been progressing the development of the NUS Digital Marketplace, allowing complimentary third parties to integrate their products and services into UnionCloud. One example in the way students' unions can now integrate a job shop service via Graduate Prospects.

NUS Group Structure

Over recent years the Boards of NUS UK and NUS Services have been seeking to harmonise the governance, organisation and working practices of the two organisations to ensure they are fit for purpose and effective in meeting the needs of the National Student Movement. Over the past year, there has been significant progress in two areas relating directly to this.





A year ago we also began a substantial piece of work to harmonise the terms and conditions of employment for all employees across the NUS Group. The primary drivers for this were to help to achieve a fit-for-purpose culture across the Group, ensure that our terms and conditions underpin our People Strategy, remove unnecessary complexity and ensure greater fairness and equity amongst colleagues. We sought to reach agreement with the trade unions on a new set of terms and conditions, but having failed to do so, took the decision in November 2013 to introduce a new set of terms and conditions for future employees, and give all existing staff the opportunity to voluntarily transfer to those new terms and conditions - on an employment contract within NUS Holdings. Over 75% of our employees so far have chosen to transfer onto the new contracts and moved onto new terms and conditions on 1st April. This reflects an important step in our continued progress towards a cohesive, collaborative NUS Group that more effectively serves our members.

Following the resignation of Matt Hyde, who has served as Chief Executive for 6 years, and considering the NUS Group structure the Board appointed an NUS Group Chief Executive with overall responsibility for NUS UK, NUS Services and NUS Charitable Services. The Board agreed on the job description, person specification, recruitment process, remuneration and appointment of the position and in July 2013 Ben Kernighan started the role. Much of Ben's first six months was spent touring students' unions to gain an overview of our membership and how NUS can better serve you.

As we reported 5 years on from its creation the Trustee Board is a positive and vital part of our governance structures. The Board has ensured that resources have always been there to deliver of conference and the NECs will whilst delivering on initiatives such as NUS Digital, NUS Extra, the establishment of NUS Charitable Services - all of which generate additional revenue to fund our campaigns whilst driving down affiliation fees.

It has been my pleasure to be the chair of a diverse, exciting and what I believe is a high functioning Trustee Board. I'd like to thank this years Board members for their contributions and especially to Tessa Birley, Matt East and Edward Bauer who are all retiring from the Board this year.

Best wishes,
Toni Pearce
Trustee Board Chair





Strategic Plan

Alongside the NEC, the Board has oversight of the development of the new NUS group strategic plan. It will explain how we will advance in the medium term (the next three to five years) our mission to promote, defend and extend students' rights and champion strong students' unions, and will build upon the positioning work done through the recent review of the NUS brand. That work generated an expanded statement of our mission and vision:

Scope; our area of activity	Ensuring students can thrive
Status; our rank or status	Championing students
Ambition; our heart-felt ambition	Shaping the future of education to help create a fairer, prosperous society
Ethos; what are the principles behind our actions?	Representing the realities of students' lives Passionate about the power of students to drive change
Style; how we go about our business	Pragmatically provocative, Insightfully authoritative, Energetically inspiring
Response; the impression do we want to create	7 million student voices
Focus; Our basis for making decisions	By students, with students, from students' unions

The new strategic plan will advance these into a range of practical actions, programmes, campaigns and changed practices – all taking us towards a vision around students, students' unions and society in 2020. There will be a small number of quite substantial objectives, rather than a plan that tries to do too much or cover too much ground.

A wide consultation exercise has been conducted, involving bespoke primary research amongst key stakeholders, an open channel for submission of feedback and ideas from students' unions, a series of internal and external focus groups, extended plenaries at national events, and so on. Several hundred people have participated, representing a wide range of students' unions and student perspectives, and we continue to work towards increasing our input from groups that are not as strongly represented (primarily in the further education sector and in the nations). On the basis of that consultation and research, some central themes have emerged:

Untapped potential – the overarching sense from the consultation is that NUS and perhaps the whole student movement are both more than and less than the sum of their parts; there is a strong loyalty, not just from students' unions to NUS, but amongst the many people who make up the movement, and there are many 'everyday successes' that we don't celebrate enough; but at the same time it feels that we are falling behind on the bigger issues, it has been a long time since we created or provoked a major change for students, and this may be because our aims are not sharp enough and we struggle to pull together around key priorities; in particular it will be increasingly crucial that we can focus our resources to help students, their families, students' unions and others at the 'critical moments' where they need us most; we need to be ever more clear on how NUS works in partnership with students' unions to get results, help them to develop and ensure they have good governance and a strong democratic culture

Diverse journeys and lifestyles – the majority of students are not full-time, not in their late teens and early twenties, not 'affluent and carefree'; the student movement could be rebuilt around the interests and needs of the 'new majority', who are diverse in dozens of respects and have complex lives outside the classroom, but are also more naturally engaged in society and wider social concerns; we must form new partnerships to connect with a wider demographic of students and pursue their interests in far broader and more diverse ways; most importantly it seems crucial to reconsider the basic model of students' unions to reflect the pressures of a rapidly changing world





Reaching for families – *students are also engaged in family life, and we may achieve more influence by connecting with their parents, siblings, children; the nature of mass further and higher education means that a large majority of families have students within them, often several students; the institution of the family is becoming radically more diverse and complex, yet it remains a central locus of political power, which we could do more to harness*

Global resonance – *educational and social issues are increasingly seen in global terms – for example the unsustainability of student finance models, the growth of further and higher education provision in surging economies, student mobility, the resurgence of feminism, the new LGBT rights international, and so on – yet our partnerships in other countries are not strong; we are the best established and best resourced movement of students in the world, and we should consider how we can be global in our aims and our approach*

Technology avalanche – *technology will now even more rapidly and radically change education and student lifestyles and that we should take action to understand and respond to this; the student movement's technological capability will have a decisive bearing on whether we can meet our aims; access to technology is becoming a central issue of equality and social justice in both national and global terms*

Localism and partnership – *a sense of urgency to bring local institutions, organisations and firms together in partnership, especially in the context of city-regions and metropolitan clusters, but also in other less dense spaces and localities; students increasingly need representation and support that functions in this context; students could have a much stronger positive civic impact if we inspire them and support them to act*

Long-term engagement – *the students of tomorrow will have learnt more, have more life experience and different needs before they become our members than in any previous generation, and we should find ways to connect with them earlier and more effectively; the students of the past are more likely to become students again than ever before, and also form networks of influence in society that we must connect with to achieve our aims*

Shaping future generations – *within a few years, students and former students will represent more than half of the population, and this will not reverse; if we are ambitious and work with the right partners, we could be in a unique position to influence their values and behaviours to help produce a healthier and more environmentally balanced society for future generations*

Daring and doing – *the student movement has a tradition of saying and doing things that others shy away from, and this is one of our greatest strengths; today's struggles for civil rights and fair treatment – for instance around immigration, trans rights, access to welfare – are not always 'popular causes', yet they are causes we have championed; the student movement should have an increased reputation for social action and supporting others*

Openness and resilience – *our democratic culture is a great strength, but the way we practice democracy is becoming increasingly strained, unrepresentative, and unable to focus on the most important things, so we should explore more participative and imaginative ways to set our agenda; we can only become stronger by being prepared to change how we work, securing future income and becoming and remaining the authority on our key areas of interest*

The strategic plan itself is currently under development, and is scheduled to be published in July 2014. It will aim to respond to these themes. The plan itself will be submitted to the NEC and Board for approval in May. At this stage, we can say that issues like promoting new kinds of activism and forms of mass engagement (especially through technology), modelling and enabling new approaches for students' unions in many areas, and supporting and enabling new and diverse local partnerships will be central to the plan. These core areas will have common themes running through them, such as helping students and students' unions at critical moments, improving the public perception of students and students' unions, bringing a greater international perspective to our work, promoting and strengthening the role of liberation in core activity, better utilising and analysing large scale data sets, connecting with and supporting new groups of students and learners, and so on. The exact shape and structure and the programmes we will set out are still to be determined, but we ask National Conference to endorse the general direction of the strategic plan by approving our report.





Affiliation Fees

Under section 2100 of the NUS Constitution, the Board is responsible for proposing the membership fee system for NUS in its report each year. We are required to do this according to the following broad principles:

- a) Transparency
- b) Ability of unions to pay
- c) Fairness and comparisons of “like with like”
- d) Flexibility for unions experiencing hardship
- e) The system must be regularly reviewed

2013-4 Affiliation Fee

The report to National Conference 2013 on affiliation fee methodology, proposed a change to the methodology that would have had the effect of lowering the fee, assuming constant block grant, of many unions in the “squeezed middle”. This was conditional upon UK achieving full ownership of NUS Services by 1 July 2013. This did not happen, so the 2012 methodology for calculating affiliation fees was used. As block grants have risen, this also increased the total amount of affiliation fees received by NUS in 2013-14 over and above the Estimate.

2014-5 Affiliation Fee

The 2014-15 estimate for NUSUK core affiliation fees is £3.9m. The estimate for the affiliation fees associated with NUS-USI is £110k, and is reported under ‘NUS-USI income’ in the estimates document.

An additional consequence of block grants going up is that more unions benefit from the fee cap, and to a greater extent than ever before. The result is that unions with lower block grants pay us much more as a proportion of that income than unions with grants of a million pounds or more. It is also the case that NUS UK often collects more in affiliation fees than is estimated (this has been the case in each of the last three years). Therefore in 2014-15, we will return all affiliation fee revenues collected above the £3.9m estimate (and locally anything above £110k in the case of NUS-USI), after abatement and hardships, to students’ unions, via a mechanism that distributes the greatest rebates to unions that pay a higher proportion of their block grant in affiliation fees. This will ensure students’ unions with moderate block grants have more resources on the front line in a key campaigning year. The methodology for calculating the basic fee will remain the same as per the 2012 Trustees report (as outlined in points 1 – 8), with the rebate being applied to this, once the total receipts have been established.

1. A minimum fee of £250 will apply to students’ unions regulated under the Education Act 1994 (ie Public Sector Further and Higher Education Institutions across the UK).
 2. A minimum fee of £500 will apply to any other institution wishing to affiliate their student body (for example private colleges).
 3. For Grant Funded unions, a Students’ Unions’ block grant will be obtained from the NUS Membership Survey.
 4. Students’ Unions may apply for some of that grant to be disregarded in accordance with agreed criteria which will be reviewed by the Audit Risk and Remuneration Committee in time for the 2012/13 invoices (“abatement”).
 5. Student numbers (separated by full time, part time, undergraduate, postgraduate, and further and higher education) are obtained from verified external agencies.
 6. A fee is then calculated in two stages:
 7. Stage One breaks the block grant into three bands, and a fixed percentage of each band is used for the initial calculation:
 - a. Band 1: 7% up to £105,000
 - b. Band 2: 5% between £105,001 and £555,000
 - c. Band 3: 4% between £555,001 and £1,050,000
 - d. Income above £1,050,000 is not used
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8. Stage Two uses the student numbers to add an additional amount and applies a factor depending on the status: HE Full Time 100%, HE Part Time 50%, FE Full Time 40%, FE Part Time 20%, Post Graduate Full Time 40%, and Post Graduate Part Time 20%. The resulting sum is divided by 10 to derive an additional figure to the affiliation fee.

The medium to long term picture is more complex. The overall balance of costs and benefits runs much deeper than affiliation fees. Some unions participate fully in all the major collective business lines, and reap rewards so great that they more than offset the affiliation fee. Other unions lack the capacity and infrastructure to achieve those levels of return. Some others simply choose not to be involved to the greatest extent their membership allows. Then there are the direct costs of participating in our work, such as coming to events; for some unions all those conference fees and travel expenses are a drop in the ocean. For others they can swallow up almost all a union's budget.

Because of this complexity, a more comprehensive finance review is required, and this year we will start to properly review the whole funding structure, taking a holistic view of all the costs and benefits. This will be much wider than an affiliation fee review, as it will look in detail at all the costs and benefits of participation. It will therefore also take time, but that will be time well spent if it leads to a stronger and more sustainable financial settlement.





National Union of Students

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