

Chukwudi Ezenyi – President and Chair of UPSU Trustee Board

The 2019/20 academic year was a year of two halves. The first half of the year saw UPSU operating in a very successful environment with strong student engagement and trading across all areas.

January saw the departure of UPSU’s long-term Chief Executive Gina Connolly and the appointment of Sarah Gibson as her successor. At that time the Board thought that would be the biggest upheaval that would be faced by the Students’ Union in the year. Unfortunately, as the whole world knows, Covid-19 was about to impact on all of our lives and, of course this included the operations of the Students’ Union.

All of UPSU’s physical activity and face-to-face services were forced to close between March and May. UPSU responded very well where it could, including moving all of its advice and representation functions online to great success, but the overall picture was very hard with many UPSU staff being furloughed for periods across that time.

The SU did make as much use of the Government’s CJRS scheme (furlough) to mitigate costs as much as possible and, because the pandemic hit relatively late in the academic year, the impact on the finances was less than it might otherwise have been.

UPSU delivered an operating surplus in the 2019/20 year of £323,000. Unfortunately, the positive impact of this surplus was significantly outweighed on our Balance Sheet by an increase in the overall pension liability of £931,500. This increase had been identified as a potential risk in 2018 but it was only confirmed during the 2019/20 financial year. This increase arose from an historic problem with the SUSS scheme and took the total liability for the Students’ Union from just over £1m to just under £2m. This deficit has to be repaid by UPSU (and every SU in membership of the SUSS pension scheme) over the next 15 years and so will continue to be a substantial burden and concern to the Trustees.

These combined changes led to an end of year net funds position of -£382,057. This deficit is obviously disappointing given all the hard work undertaken in recent years to improve the financial position but it is important to note that if the pension liability is excluded from this figure, the Union would be showing a Balance Sheet total in excess of £1.3m.

The continuing ravages of Covid-19 also placed additional requirements on the Trustees in terms of proving that UPSU could be considered a going concern for the period after the end of July 2020. Fortunately, prudent financial controls over the last years have built up reserves in the SU to a good level and this, combined with an explanation of the strategies for managing the on-going Covid-19 impacts, along with the normal letter of confirmation of block grant payment from the University was sufficient to satisfy the auditors.

Despite all of the bad news that the end of the year brought, UPSU continued to deliver for the students of the University and we saw very high levels of engagement with all aspects of the Union’s work including more than 3,000 students involved with sports clubs; more than 4,000 in membership of societies and over 1,000 members in the gym. Election turnout in the March elections, while slightly down on the highest-ever turnout in the 2018/19 elections was still above 20% of all members.

The social side of UPSU’s activities also saw high member participation with more than 10,000 total attendees across 4 freshers’ fairs and successful events programme including our club nights and live music events.

On the theme of students feeling financially secure, the Advice Service provided financial advice to hundreds of students in the year and calculated that if the students had followed the advice given, they would have saved between them over £380,000. More than 1,600 students were also supported with a wide range of advice issues through the year.

UPSU also finally concluded the updating of the Memorandum of Understanding between itself and the University which covers the building agreement, financial and other reporting, governance and health & safety.

The 2020/21 Academic Year

Unfortunately, the pandemic didn’t end with the academic year and UPSU, along with organisations across the globe had to face up to the realities of another year with very difficult decisions to face. For UPSU this was further compounded by the departure of the recently-appointed Chief Executive in September. The Trustees made the decision to appoint an interim Chief Executive at that time and Antony Blackshaw started in that role in October.

The original budget for the 2020/21 academic year was essentially a break-even budget, made even more difficult as the SU faced the second year of block grant reduction, due to lower student numbers. This budget recognised that the start of the year was not going to generate the income normally associated with freshers and the early part of the year. Lengthy discussions took place about whether there would even be able to be a physical freshers week at all. In the end, the University provided £25,000 of additional financial support to allow UPSU to organise a programme of events, knowing that numbers would be substantially down on previous events.

Unfortunately, the budget envisaged that trading would be back to normal by November and it soon became apparent that this would not be possible. The budget reforecast estimated a possible deficit of more than £600,000 by year-end if the situation did not change significantly. In fact, the enforced closures in December and then since January have helped to reduce the impact as the Union has been able to reclaim money through the revised furlough scheme. Further savings have been made by not replacing staff that have left during the closure period and of course there have been lower levels of expenditure on areas such as sport where the lack of any organised student sport this year has meant no travel or other costs normally associated with this activity. As at the end of February, the current forecast deficit for the year is approximately £200,000. This is still significant of course but the trustees have made the decision that we would be able to use our reserves to cover this deficit, if this is the position.

The SU is currently working on the budget for the coming year, but also rolling forecasts that will take into account the next three years to ensure that our reserves can be kept healthy despite the last two years difficulties.

Despite all the difficulties faced this year, the Union has managed to deliver some innovative activity and we have seen excellent engagement with online democratic processes for example. The Union has organised very successful Q&A sessions on the Safety Net, which saw Emi Dowse, VP for Education putting questions submitted by students to the Deputy Vice Chancellor Julian Chaudhuri and Associate Dean Adele Hill; and Support Services where Fawziyyah Ahmed, VP Welfare put questions to Head of Student Services Alice Ludgate and Ann Bentley, Student Wellbeing Service Manager. There will be more of these sessions over the coming months, and it is to be hoped that they become a regular feature of our engagement with the University’s senior management. The Advice Service has continued to run all of its activities online and this has been very successful to the extent that this will continue even when we return to ‘normal’.

Student isolation and loneliness has been a big issue for students this year and UPSU has introduced the ‘Buddy Scheme’ which allows first year students to buddy up with those further on with their courses as well other support activities throughout lockdown.

UPSU also successfully tendered for and won the contract to deliver all of the asymptomatic Covid-19 testing for students and staff on the campus. This was a testament to the skills and experience that the Union has in operations and events planning and this will also help offset some of the financial deficit in the year.

Subject to any change to government guidelines, it is to be hoped that the services of the Union will be gradually re-opened from the 19th April and that there might be a chance for students to at least have some social interaction before the end of the academic year but nothing can fully make up for the loss of those opportunities this year. Plans include opening the bar as a rooftop-only operation, as opening of the bar itself is likely to prove impossible with the continued restrictions.

In terms of governance, the Trustees have undertaken a thorough review of the committees of the Board of Trustees and final proposals will be presented to the final union Council of the year in April. There have also been some minor amendments to the Articles, which are presented to this meeting. These are designed to make student input into democratic changes easier as well as presenting the opportunity for the Board to bring additional student Trustees onto the Board.

The process to recruit a permanent Chief Executive for the SU are also underway and it is hoped to be in a position to appoint by the middle of June.

Plans are now being put together for the 2021/22 year and the Trustees have asked the SU team to recognise that there is likely to be increased demand for social and community-forming activity and to include this in their plans and forecasts for the year. They have also been asked to make sure that the valuable lessons learnt during this period are not lost as we move back to normality.

Summary

In summary this has been a very difficult 12 months for the world and UPSU has not been immune from the impact. We have been very fortunate in being able to continue to provide many of our key support services to the student body throughout this time and we hope to build on the experience to emerge better placed to deliver for students into the future.