

Charity Registration & Changes to the Constitution - Blue Sky Thinking

A note by the Union President – Paul Beaumont

Background

Due to a change in legislation - removing Student Unions from the 'exempt charities' category - the Union's status as a charity is under threat. If we do not keep our charitable status, we will be liable for Corporation Tax which would be a disaster for our finances. To keep our status, we must register with the Charity Commission.

This process has been going on throughout the country for about four years: we are one of the last Unions left to register, and the Charity Commission is fully aware of this.

This is not entirely true. There is also the possibility that we could become a department of the College and lose our identity as an autonomous body – something that I think would be a disaster for the student body.

Working on the basis that we wish to remain autonomous, proposals have already gone to the Trustee Board on the way in which we should register. They have agreed – with caveats – that we should pursue registration as an *unincorporated association*.

This type of registration will be closest to our current charity status (the alternative forming a trading company of which the Trustees are the company directors too). However: with it, it means that the trustees are **completely liable for the Union**: financially and reputationally.

As such, they have – rightly – insisted that the governance structure puts them in a position that they can have true oversight of the Union. Even if we were to pursue company registration, this oversight is still necessary as they are still accountable as directors for the finances and reputation of the Union.

As part of the registration process for the Union becoming a charity, the Union must also have a fair and accurate constitution that reflects its day-to-day workings: our current constitution is a mish-mash of add-ons and contradictions that don't *really* work.

I therefore wish to start a-fresh.

In practice, this is a lot of work. Luckily, we have been allowed the template use of a constitution agreed between the NUS and the Charity Commission, which should allow us easier registration – as charities have to have very specific aims and objectives to be classed as charities.

I think the best way to try and explain the 'practical' changes I wish to make are as comparisons between the current setup and proposed setup.

You may remember that some of the proposals presented in June – when my predecessor tried to also make changes - were received badly. Some of those proposed changes were to try prepare us for Charity registration, some (such as the removal of the DPFS role) were not related to charity registration, but just to the structure of the Union itself.

I have colour coded this document to try and separate proposals that are essential for charity registration from proposals to the structure of the Union. The code is as follows:

Gold are changes that are essential for the charity changes to go through.

Green would be nice structurally.

Red have been removed from last year's suggestions and I thought this the best place to explain why.

Here goes:

1. To change the composition of the Trustee Board, and the structure of the Union (part 1)

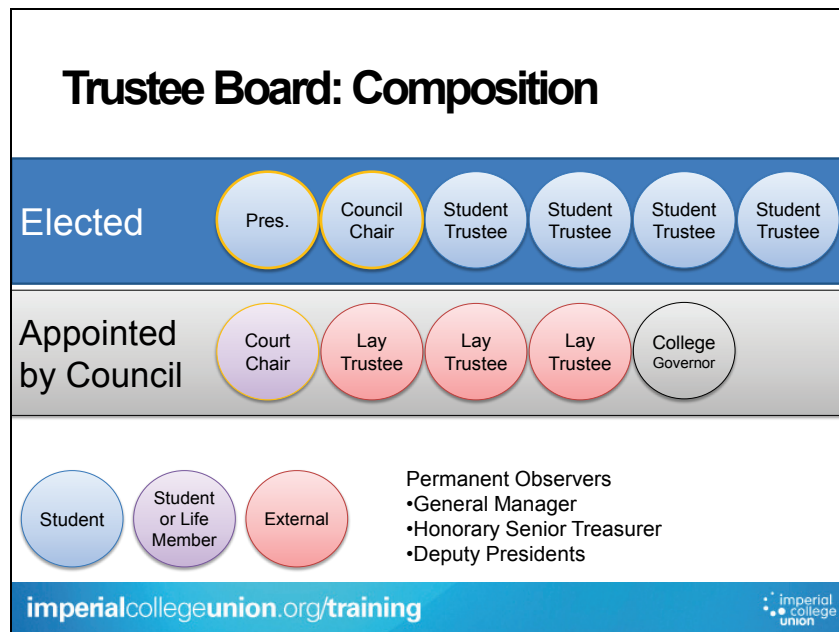
Executive Summary: The Trustee Board have made it very clear that if they are going to hold liability for everything the Union does, then they need to know about it. This is why I am proposing a much more linear structure. This will take a while to propose...

Deputy Presidents

The Trustee Board is the body that is *legally responsible* for the Union. Currently, out of the Sabbatical *team*, only the President is on the Trustee board. It is however the *team* students elect to run the Union, not just the President.

The Trustee Board sets the Union's budget and is the sovereign (and legally liable) body of the Union. The vast majority of Student Union's around the country have all of their Sabbatical Officers on their Trustee Boards – *so they can be held accountable for their actions*. Please see the table below for a comparison of other Russell Group Universities.

	External Trustees	Alumni Trustees	University Appointments	Officer Trustees	Student Trustees (appointed)	Student Trustees (elected)	Chair?
Birmingham	3	3	1	4	3	0	External
Bristol	4	0	1	6	0	4	External
Cardiff	3	0	0	8	0	0	President
Imperial CURRENT	4	0	1	1	0	4	External
King's College	4	0	0	4	0	4	President
Leeds	4	0	0	6	6	0	Sabbatical
Liverpool	4	0	0	4	0	3	
LSE	0	0	0	5	0	6	President
Manchester	3			8	3		
Newcastle	4			6	2		President
Nottingham	4			5	4		President
Oxford	4			6		3	President
Sheffield	3			8			President
Southampton	4			7		4	President
UCL	1	2	2	6		6	Sabbatical
Warwick	5			7	6		



Our Executive Committee **used** to be our Trustee Board, but then it split, leaving the Deputy Presidents out of the picture.

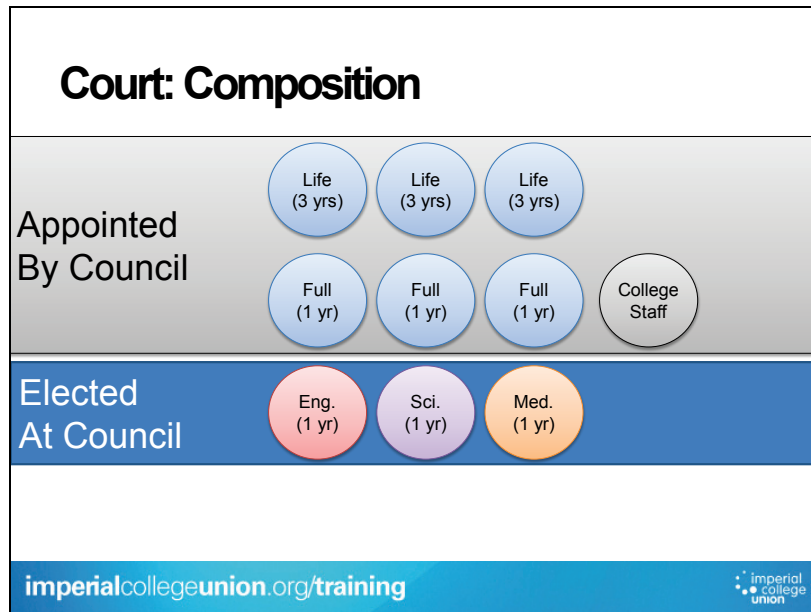
To bring us in line with other Universities, I wish to have all the Deputy Presidents on the Trustee Board. They are still responsible to the President for their remits.

I would like to make clear that this would not turn the Trustee Board into a body that overrules the Council whenever the sabbaticals don't get their own way – the Lay Trustees and elected Student Trustees are a check and balance to upholding democratically made decisions of policy making boards of the Union. **The only reason for which Trustees would realistically overrule Council is if there is a legal, reputational or financial implication the Union would be unwise or negligent to ignore.**

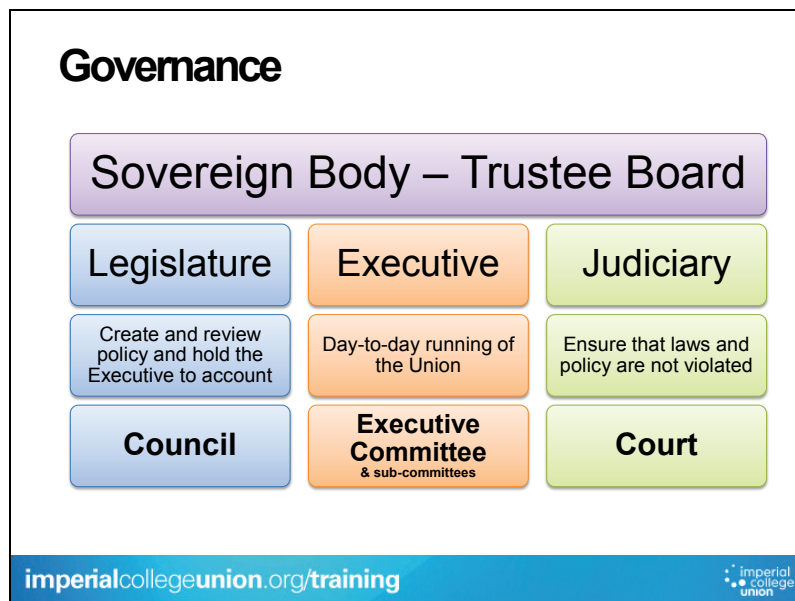
There should also be a provision for the non-sabbatical Trustees to meet separately should it be so required.

Court

Currently, the Court also has a place on the Trustee Board. The current structure of our Union Court is as follows:



The Court handles the Judiciary functions of the Trustee Board:



Given the severity of some of the cases Court deals with, I believe that the body legally in charge of the Union should take a greater interest in the rulings Court is making on its behalf.

Appointed Student Trustees

There is an argument for ensuring the Trustee Board is more representative by appointing underrepresented groups and efficient by appointing students well informed about the Union (past Faculty Union Presidents, Sabbaticals who have gone back to study, etc).

The Trustee Board does however have to be a manageable size. Whilst any changes would not come in to effect for the current elected student trustees, the appointed students would replace two elected positions in the long run.

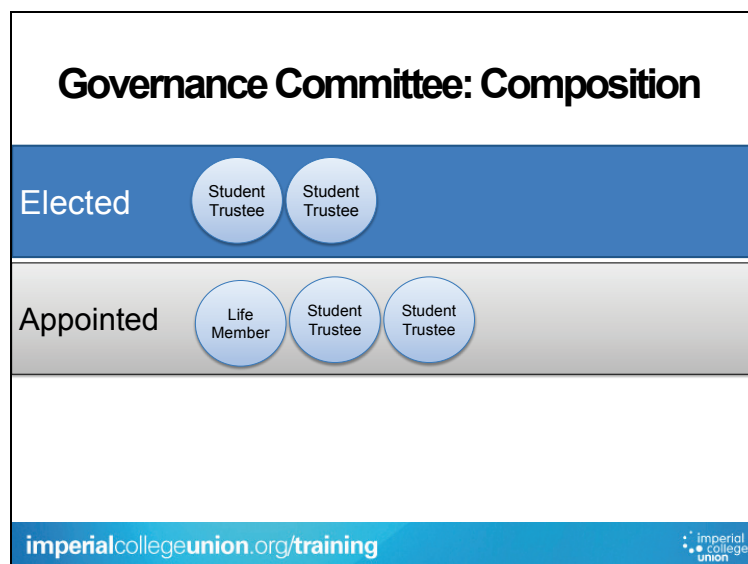
Putting together the pieces:

I therefore propose the following:

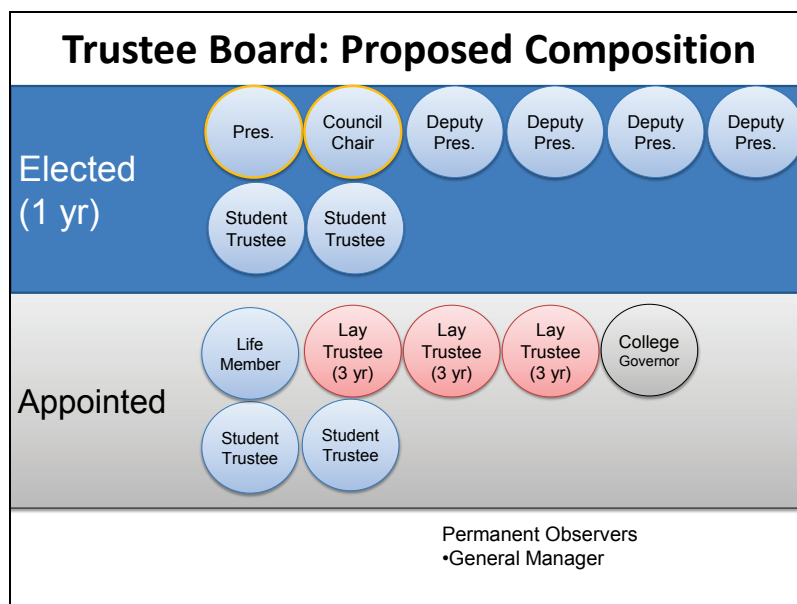
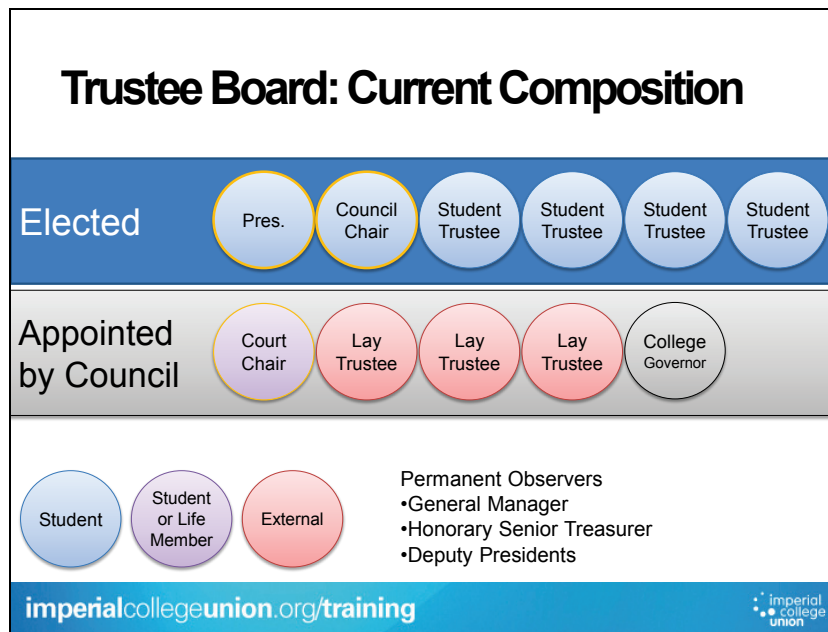
- a. To change the composition of the Trustee Board to include two appointed members of the Union, and one appointed alumni member (to replace the Court Chair position).
- b. To replace Court with a subcommittee of the Trustee Board, responsible for all the Court's current judicial processes. I propose to name this the 'Governance Committee' – that reports to the Trustee Board on matters for decision relating to the remit of the current Court.
- c. To make the compulsory composition of said subcommittee:
 - The Student Trustees (Currently these Trustees only have to go to the five Trustee Board meetings, not a lot else)
 - The appointed Life Member.
 - Any additional extras needed.
- d. For the Trustee Board to select a Chair of the Committee (rather than appointed internally by the Court; much more transparent).

To dispel concerns 'Life Member' is not a life position – it's a silly name we call lifetime Associate Members. I wish to clean up all small things like this in the new constitution too.

This would – finally! - create the Governance Committee as follows:



It would also increase the ratio of students to non-students on the Trustee Board, but would maintain a majority of democratically elected officers, whilst giving an opportunity for the Trustee Board to appoint students with a broad range of skills, backgrounds and experience.



Current Composition

- 6 campus-wide elected v 5 appointed
- 6 students v 5 non-students

Proposed Composition

- 8 campus-wide elected v 7 appointed
- 10 students v 5 non-students

This leads to a truly more student led organisation.

How would this compare to the norm? We'd be more 'normal' than now, especially in terms of officer trustees:

	External Trustees	Alumni Trustees	University Appointments	Officer Trustees	Student Trustees (appointed)	Student Trustees (elected)	Chair?
Birmingham	3	3	1	4	3	0	External
Bristol	4	0	1	6	0	4	External
Cardiff	3	0	0	8	0	0	President
Imperial CURRENT	4	0	1	1	0	4	External
Imperial PROPOSED	3	1	1	5	2	2	External
King's College	4	0	0	4	0	4	President
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Liverpool	4	0	0	4	0	3	
LSE	0	0	0	5	0	6	President
Manchester	3			8	3		
Newcastle	4			6	2		President
Nottingham	4			5	4		President
Oxford	4			6		3	President
Sheffield	3			8			President
Southampton	4			7		4	President
UCL	1	2	2	6		6	Sabbatical
Warwick	5			7	6		

[Many also have their President as Chair of the Board. This is a role that is currently served very well by a member of College Council, which I do not wish to change.]

2. To split the RWB into the 'Education & Representation Board' (ERB) and 'Communities & Welfare Board' (CWB).

The RWB meets separately anyway, and has little in common with respect to 'R' and 'W' to discuss that isn't relevant to all Council members. These boards would remain to have limited policy making powers: only the Council can (and should) be able to make policy that binds the whole Union and affects all of our student members (ie, a stance on drugs, HE policy, etc). The ERB and CWB would only have advisory powers that are used to discuss issues and report up to Council.

- ~~3. To dissolve the Executive Committee~~
- ~~4. To create a Management Board consisting only of Sabbaticals~~

Having more 'current students' (rather than sabbaticals) giving input into the Union's operations can only be a good thing. I therefore *do not wish to make this change.*

5. **Function & Composition of the Executive Committee (and effectively change the structure of the Union – part 2)**

As I mentioned above, I think it incredibly important to keep students involved in the Executive Committee.

Composition

I also propose that we open up membership of the Executive Committee to the whole of Council, not just CSB/RWB representatives. This would allow interested Faculty Union Officers and Ordinary members to run.

Opening these positions up to interested parties that make up the rest of Council would ensure we had the most dedicated team possible on the committee, and would – effectively – make it a sub-committee of the Council: implementing policy made by the Council.

Function

Many of the functions of the Trustee Board are just being duplicated by the Executive Committee though: they cannot make any financial decisions without the Trustee Board then approving them. It does however pass Union Policy on behalf of Council which cannot wait until Council next meets. Council then have to approve that policy. The committee meets more often than Council – and can effect change quickly though.

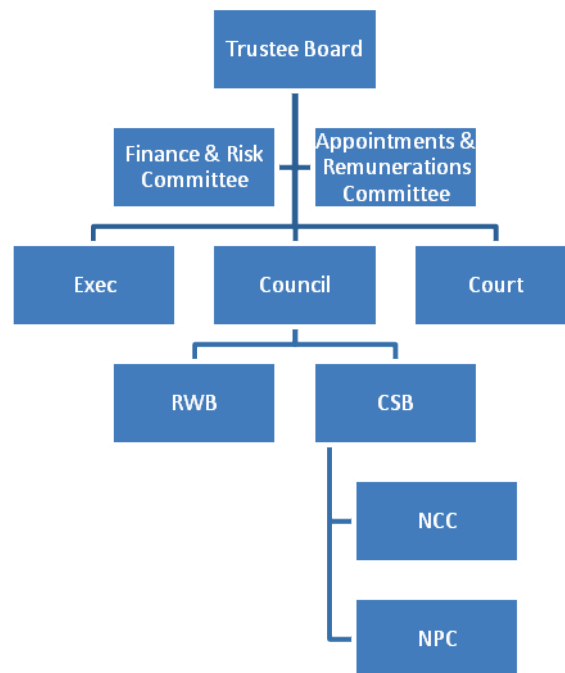
Altogether:

I propose (as, by changing the composition, any member of Council could now be on Exec) that Exec becomes a sub-committee of Council. It exists to act quickly when Council is not sitting, and is mandated specifically to look at running the Union, not debating the direction of it. It would not duplicate the Trustee Board in making large financial decisions as it currently (pointlessly) does. This is also an area that the Trustees have raised concerns over in the current setup, as it is a body that is sometimes making financial judgements that should really be left to them, as the liable ones.

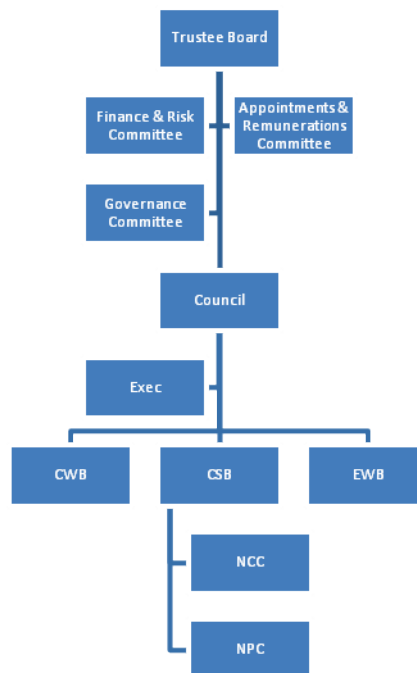
The composition of Exec would change from and to:

- | | |
|-----------------------------|---------------------------------|
| 1. The President – as Chair | 1. The President – as Chair |
| 2. Deputy Presidents | 2. Deputy Presidents |
| 3. Faculty Union Presidents | 3. Constituent Union Presidents |
| 4. CSB Representative | 4. Council Member |
| 5. CSB Representative | 5. Council Member |
| 6. RWB Representative | 6. Council Member |
| 7. RWB Representative | 7. Council Member |

All of these changes so far would make the Council – the biggest, most representative board of the Union - more powerful; which is, I believe, is the correct thing to do. The Union structure would change from:



To:



~~6. To remove the role of DPFS, and to introduce a Deputy President in charge of volunteering.~~

The role of a Deputy President in charge of volunteering – a function of the Union that we are seeking to expand greatly this year – currently has no support network around it. It was for this reason that the Deputy President (Graduate Schools) – more commonly known as the Postgraduate Sabb – failed as a role, and was subsequently removed: they had no meetings or committees to represent students' views on; they had no support staff.

To prevent this re-occurring, I propose that the remit of Volunteering is enshrined in the constitution as the role of the Deputy President of Welfare. Of course, when the Volunteering function of the Union is built up enough to justify a separate sabbatical, we can look at this again. I therefore do not wish to make this change.

7. To introduce a Postgraduate Sabbatical Officer

As hinted at, the necessary support network for this position is now in place. The workload has outgrown the time both the President and Deputy President (Education) can commit. Funding is available from the College should Council vote to create this position.

I personally feel as though this position should be in charge of the GSA, so that they have a support network of AWO's around them for all Faculties. I am open to discussion on this though, as it might be best to rename this as a sabbatical *GSA President*.

8. To remove the function of postgraduate representation from Faculty Unions

Faculty Union Executive Committees are predominantly undergraduates – and have been for many years. It is difficult to represent a group of students when you have no experience with the issues they face – writing theses, dealing with supervisors, teaching undergraduates, etc. The GSA is in a much better position to fulfil this role. I propose removing automatic membership of Faculty Unions from PGR and PGT students, and have only automatic GSA membership. PGR and PGT students may join the Faculty Unions for social purposes free of charge should they wish.

9. To reinstate the RSM as a Faculty (Constituent*) Union in its own right.

No explanation needed, really...

10. To have an external Returning Officer for Sabbatical elections

Having an external Returning Officer for Sabbatical Elections would mean the elections process (including getting the results) can be sped up and would stop accusations of bias. This removes stress from (especially last year's!) Elections' Committee. It would also potentially allow the sabbatical officers a more vocal role in the elections without fear of biasing a colleague who is the returning officer (this is open to negotiation though if Council believes this would be a bad idea).

11. To allow the Welfare Officers a vote on Council

This was agreed by the last Council, but I thought best to note it again: the composition of Council is currently skewed to Management Groups that represent the Union's Clubs & Societies, but includes much less provision for matters involving representation or welfare. This is especially important given all the extra power given to Council under the proposals above.

12. To remove the Entertainments Committee

This was passed by the Executive Committee but is awaiting approval by Council. It is replaced by a more relaxed 'Ents Working Group', chaired by the DPFS, to which any member with interest in Metric can attend rather than a closed, elected committee.