# HERIOT-WATT UNIVERSITY STUDENT UNION

## TERMS OF REFERENCE FOR THE BOARD OF TRUSTEES

1. **BACKGROUND**

Since 1966, Heriot-Watt University Students Association has been constituted under the Charter of Heriot-Watt University. The Association is a Charitable Company Limited by Guarantee registered 1st May 2015 in Scotland (charity number SC011949; company number 504788). The organisation has adopted the name Heriot-Watt University Student Union (HWUnion).

1. **PURPOSE OF HWUnion**

The objectives (known as the ‘Objects’) of HWUnion as set out in its governing document (the ‘Articles of Association’) are:

* The advancement of education of students at Heriot-Watt University by representing, supporting, advising and promoting the interests, health and welfare of students within the University during their course of study and within the wider community, and by promoting student participation in, facilitating, coordinating and developing the services, projects and activities of the Union;
* The provision of recreational activities through these services, projects and activities of the University, providing social, cultural and recreational activities, and forums for discussions and debate for the personal development of its students;
* The advancement of community development with the University and within the wider community through student participation in the Union and its services, projects and activities and by facilitating the involvement of students in the wider community;
* The relief of student needs by being the recognised representative channel between students and Heriot-Watt University, other academic organisations, the general public and any other external bodies, and promoting social and academic unity among students of the University.
1. **REMIT OF THE BOARD OF TRUSTEES**

The Board is responsible for the strategic leadership of HWUnion including achievement of objectives and operational oversight. It delegates day to day management to the Chief Executive Officer (CEO) who is required to report regularly to the Board. The Board of Trustees has collective ownership and shared responsibility for the establishment, effective management, and monitoring of overall systems of control and accountability in respect of the following:

To:

* Ensure compliance with the Objects, purpose and values of the organisation as set out within HWUnion’s governing documents
* Review the Union’s Articles of Association, purpose and values, at least every five years
* Manage the process of development of a long-term strategic plan and annual objectives to include impact assessment, management information and Key Performance Indicators (KPIs); and to monitor progress in delivery/ implementation
* Agree or ratify all policies and ensure compliance with legal requirements and regulations including employment, company, charity, and health and safety law
* Oversee the appointment of the HWUnion Chief Executive Officer (CEO) and appoint Trustees to appraise and performance manage the CEO through the Chair and Deputy Chair
* Determine and maintain a framework of delegation and internal controls including establishing Committees and Working Groups of the Board of Trustees as deemed necessary
* Appoint Trustees to the Board and conduct the business of the Board in compliance with HWUnion’s governing documents.
1. **RESPONSIBILITY AND AUTHORITY OF THE BOARD OF TRUSTEES**
* Trustees are bound by an overriding duty, both individually and as a Board, to act in the best interests of HWUnion at all times. This includes a commitment to promotion and support of the Union. All Trustees are equally responsible in law for the Board’s actions and decisions and have equal status as Trustees. Trustees must ensure that they remain independent in their role on the Board and do not come under the control of any external body.
* All Trustees must acknowledge the requirements of the role of a Trustee as outlined in the HWUnion Code of Conduct for the Board of Trustees and must agree to act in accordance with the Code by signing the Declaration Form on appointment and annually thereafter.
* Specific responsibilities of the HWUnion Board of Trustees include:
* Setting the strategic direction, purpose and values of HWUnion and ensuring that activities remain true to the Charity Objects
* Managing financial sustainability, ensuring that financial structures are appropriate and approving any significant changes to practice; agreeing budgets and monitoring financial performance; having oversight of actions to address any significant variances to the budget; and safeguarding HWUnion’s assets.
* Approval of any non-routine item of expenditure above the value of £25,000
* Ensuring the correct and timely preparation of the Annual Report and Financial Statements in accordance with legal requirements and UK accounting standards
* Assessment, review and mitigation of key strategic risks including prevention of fraud and other irregularities, both annually and at times of major change
* Agreeing employment terms and conditions for all members of staff, including considering Remuneration Committee recommendations for annual remuneration packages and approving awards
* Consideration of serious grievance or disciplinary matters and appeals in accordance with the policies and regulations of HWUnion
* Ensuring that policies and procedures are in place and reviewed on an agreed rolling programme and more frequently when required, to ensure legal compliance relating to employment, company, charity, and health and safety law.
* Taking note of policy agreed by the HWUnion Parliament (responsible for all aspects of policy on student representation and campaign issues), ensuring that such policy does not present an unacceptable risk to legal compliance or HWUnion’s reputation and ensuring that the Student Parliament does not cause the Union to operate in contravention of the Charity’s Objects.
* Ensuring that HWUnion operates in an open, accountable and responsible manner, and that the business is conducted ethically, and with the observance of good practice in respect of equality and diversity, and with due regard to the interests of stakeholders
* Annual review and evaluation of the performance, effectiveness, composition and skills of the Board of Trustees itself and of the individual Trustees, together with review of these Terms of Reference in accordance with, and as part of, the agreed rolling programme for HWUnion policies and procedures.
1. **COMPOSITION OF THE BOARD OF TRUSTEES**

 **Categories of Trustees**

The categories for appointment of Trustees are noted below. However, to recognise the equal value of all Trustees to the business of the Board, there will be no differentiation in individual titles used and all will be referred to as ‘Trustees’. The categories of Trustees on the HWUnion Board are:

* Officer Trustees. Four Full Time Office bearers (also known as Full Time Officers (FTOs) or ‘Sabbaticals’ or Major Union Office Holders[[1]](#footnote-1)) who are elected annually by undergraduate and postgraduate students attending the University’s UK campuses. They are accountable to the UK student body with respect to the delivery of their manifestos. They hold office as FTOs from 1June to 31 May, with the possibility of a further one-year extension. They automatically become ‘Officer Trustees’ of HWUnion for their period of election as FTOs. The President of HWUnion (who is one of the Officer Trustees) acts as the Deputy Chair of the Board of Trustees.
* Two ‘Student Trustees’ who are appointed to the Board to reflect the diversity of the student population following an open recruitment process. Whilst the Student Trustees remain as students of Heriot-Watt University, they can hold office for a period of two years, with a further two-year extension.

To avoid any conflict of interest, whilst acting in the role of Student Trustees, such individuals shall not be permitted to hold any other position within HWUnion including, but not limited to, staff positions and acting as Members of Parliament.

* One ‘University Appointed Trustee’ who is nominated by the University from amongst the staff of the University and must be ratified by the Board of Trustees but who would not normally act as the Chair of the Board.
* There may be up to six and no less than three ‘External Trustees’, one of whom must be an alumnus of the University having graduated at least five years prior to appointment as a HWUnion Trustee. External Trustees are recruited by the Board of Trustees and may serve a maximum of two consecutive four-year terms. The Board is chaired by one of the External Trustees. In exceptional circumstances, if neither the Chair or Deputy Chair (HWUnion President) is available, another Board Trustee may be asked to take on this role.
* The CEO is in attendance at meetings of the Board of Trustees and other members of the Senior Management Team attend as appropriate to their roles.

**Induction of Trustees**

HWUnion provides all new Trustees with an annual induction programme encompassing:

* Governance and legal responsibilities of Trustees
* Terms of Reference of the Board of Trustees
* An introduction to the structure of the organisation
* Budgetary management and the current financial position of HWUnion including explanation of financial terms used in reports to and by the Board of Trustees
* The Strategic Plan

Existing Trustees are invited to attend the annual induction programme to refresh their knowledge and take account of any new legal requirements and responsibilities. A mentoring programme may also be offered to trustees where relevant.

1. **MEETINGS OF THE BOARD OF TRUSTEES**

A minimum of four Board meetings are held per year (October, December, March and May) although additional meetings may be arranged if requested by either the Trustees or the CEO and Senior Management Team for business reasons. The meetings will be aligned with availability of budget statements for the previous quarter. A Trustee may, with prior agreement, participate in a meeting remotely on condition that they are able to fully participate. Where possible, in-person attendance of Trustees is encouraged to enhance interaction and cohesion of the Board.

Trustees are entitled to claim reasonable expenses to enable them to attend a Board meeting.

An additional annual strategic session is usually held in January and the meeting with the External Auditors takes place around February. Trustees are invited to attend the Annual General meeting of the Student Union, which usually takes place in February and at which the Student Parliament report to HWUnion’s members ie the UK student body. Meetings of the Remuneration Committee of the Board of Trustees take place in January and August. Additional meetings of the Board of Trustees may be convened if the CEO, the Chair, or other HWUnion Trustees feel it is appropriate for consideration of specific issues or for meetings with stakeholders.

The quorum for the HWUnion Board of Trustees is a minimum of 4 Trustees or 40% of the Board rounded up to the nearest whole number, whichever is higher, and shall consist of at least two Officer Trustees and two External Trustees. In the absence of a quorum, the Chair will have authority to decide whether to proceed with the business of the meeting or adjourn it. If the meeting proceeds, comments relating to, and approval of, proposed decisions will be sought from absent Trustees via correspondence as soon as possible following the Board meeting. All viewpoints expressed via correspondence will be made available to the full Board and retained on record.

In accordance with HWUnion's Articles of Association, if at any time the number of Trustees in office falls below the number fixed as the quorum, the remaining Trustee(s) may only act for the purpose of filling vacancies and the conduct of essential business. Other Board business will be held in abeyance until sufficient Trustees have been appointed and quoracy is achieved.

The Chair of the Board of Trustees is responsible for the orderly conduct of the meeting and is entitled to the cooperation of other Trustees in ensuring the fair and effective conduct of business and considerate and civil debate.

It is the practice of the HWUnion Board of Trustees and its committees and any sub-groups to reach decisions by consensus. Votes should be taken in exceptional circumstances only.   Where the Chair considers that a vote is deemed necessary, a decision will be taken by simple majority, with the Chair participating in the vote but also holding a second, casting vote to be used where there is an equal division of votes. If for any reason it is inappropriate for the Chair to participate in a vote or a casting vote, an alternative Chair will be appointed to manage this process. The numbers voting for and against any abstentions will be recorded in the minutes of the meeting.

All Trustees are expected to attend all meetings of the Board of Trustees, including the Strategy Away Day, and of any sub-groups or committees of the Board of which they are members. Trustees who are unable to attend any meeting for justifiable reason should send their apologies in advance as soon as possible.

Trustees may be removed from office in accordance with the Articles of Association of HWUnion and the Board of Trustees’ Code of Conduct.

The Board of Trustees may allow any person who they reasonably consider appropriate to attend and speak at any meeting of the Trustees; such individuals may be asked to leave in circumstances where confidential or sensitive information is being shared. Any such person shall not be entitled to vote.

1. **BUSINESS CONDUCTED BY THE HWUnion BOARD OF TRUSTEES**

The agenda and papers for meetings will be issued in electronic format one week prior to the meeting. The agenda will state clearly whether papers are for Approval, Discussion or Information as appropriate. Trustees will be required to read papers in advance of meetings and papers will be taken at Board meetings as having been read. Those presenting papers will be asked to highlight any specific issues they consider should be brought to the attention of the Board, noting any significant achievements and challenges. All trustees will be invited to make comment and contribute to discussions and decisions, including any expertise and wider perspectives they may be able to offer. Strategic in-depth items may be brought to the Board for discussion from time to time.

During meetings of the HWUnion Board all attending are asked to respect others by turning off mobile devices unless they are being used for the purpose of the meeting or placed on silent if an urgent call is expected.

Actions noted in Board meetings will be recorded in an Action List appended to the minutes, together with identification of the individual responsible for taking the matter forward and a proposed date for completion; the Action List will be reviewed at subsequent meetings of the HWUnion Board of Trustees.

**Annual Schedule of Business across the Academic Year**

**(October, December, January, March, May)**

* Management accounts/Balance Sheet update Each meeting
* Chief Executive Officer update

(incorporating Management and Student reports) Each meeting

* Progress on Strategic Plan Objectives/KPIs update Each meeting
* Annual review of Risk Register October meeting
* Annual review of Society affiliations October meeting
* Annual review of Policies and Procedures’ Schedule December meeting
* Strategy Away Day (Annual update on Strategic Plan) January meeting
* Annual Trustees’ Report and Financial Statements (Audit) March meeting
* Annual Board of Trustee Performance Review May meeting
* Project reviews and updates; ad hoc reports As relevant

An electronic resource hub for Board minutes and other documents relating to governance of HWUnion, including Policies and Procedures, can be accessed on the HWUnion website following approval by the Board.

From time to time, issues arise between Board meetings which require an urgent discussion and/or formal decision or where a highly sensitive confidential matter arises. The Chair of the Board of Trustees is empowered to take Chair’s action on business arising between meetings where it would not be expedient to delay until a Board decision can be taken. Where such a matter is foreseen, the Board may resolve to delegate it to the Chair for action.

Chair’s action should only be used exceptionally in the manner described above and should never be used to substitute for discussion at a properly constituted Board of Trustees meeting. In determining whether Chair’s action is appropriate, the Chair will consider calling an exceptional Emergency Meeting of the Board at short notice; quoracy requirements will still apply. Where the timescale prevents this, the Chair will consider other means of consulting with other Trustees wherever possible.

Any Chair’s action taken will be reported to the Board of Trustees either immediately or taken to the next meeting of the Board as appropriate.

**Reserved Business**

The decision to declare items as ‘Reserved Business’ will normally be guided by matters such as respect for data protection principles or because highly sensitive information needs to be shared. The minute of the relevant HWUnion Board of Trustees meeting will record the rationale for treatment as reserved business.

1. **REVIEW**

Annual feedback on Trustees’ views of overall Board performance will be sought in March/ April together with the views of those in attendance at Board meetings; all are expected to provide feedback. Overall anonymised findings will be reported to the Board meeting in May (the final meeting of the academic year). This timescale will allow recommendations for change to be considered for implementation in the following academic year.

Additionally, the Chair will provide an opportunity for meetings with individual HWUnion Trustees and those in attendance to be held towards the end of the academic year to discuss any issues of concern or sensitive matters.

The Trustee Board Terms of Reference will be reviewed in accordance with the annual rolling programme for review of all HWUnion policies and procedures.

Version 6; Revised and Approved by the Board of Trustees March 2023

1. Major Union Office Holder is the term used for the purposes of Section 22 of the UK Education Act 1994 (and subsequent amendments) relating to the organisation and activities of Student Unions [↑](#footnote-ref-1)