Guide for Members of Higher Education Governing Bodies

Supplementary guide regarding the role of university governing bodies in relation to students’ unions.

March 2011
This guidance produced in collaboration between the Committee of University Chairs and the National Union of Students has been developed by the Good Governance and Good Relationships project.

Further details about the project can be found at www.nusconnect.org.uk/goodgovernance

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Dear Colleagues,

We are delighted to introduce this guide for governing bodies about working with students’ unions, in recognition of the key role that students’ unions play in enhancing the student experience.

The development of this guidance has been a truly collaborative approach between the Committee of University Chairs and the National Union of Students, which has been supported by many cross sector partner organisations.

The research that underpins this guidance demonstrates that there is a high level of commitment across the sector to building and maintaining positive working relationships between higher education institutions and students’ unions. This guide builds upon this momentum and seeks to embed excellent working relationships between the governing bodies of higher education institutions and students’ unions as the foundation for all of their interactions.

This guide details how the principles of excellent working relationships can be implemented and provides examples of good practice. We sincerely hope that you take the opportunity to work together with your students’ union in the spirit of partnership in order to put this guidance into practice.

The student experience is central to the core mission of higher education institutions and students’ unions are a crucial partner in enabling institutions to provide a first class student experience. We believe that using this guidance will help your university and your students’ union to maximise the benefits of working together. Ultimately both parties and the student body will reap the rewards.

With very best wishes

Sir Andrew Burns
Chair

Aaron Porter
President
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Introduction

The Committee of University Chairs and the National Union of Students have worked collaboratively to produce this guide for Governing Bodies about working with students’ unions, guilds or associations, in recognition of the key role that they play in enhancing the student experience.

This guide adds to what is said about students’ unions in the Committee of University Chairs’ ‘Guide for Members of Higher Education Governing Bodies’ [March 2009] and provides additional detail about the role of the university governing bodies in relation to students’ unions.

The principles that underpin excellent working relationships

The National Union of Students has undertaken a two-year project researching the relationships that exist between students’ unions and higher education institutions, the governance of students’ unions and developing associated guidance. This research demonstrated that there is a high level of commitment across the sector to building and maintaining positive working relationships between higher education institutions and students’ unions. Further details about the research can be found in ‘Good Governance and Good Relationships Survey Results’ Appendix A.

The project identified eight key principles that underpin excellent working relationships:

- Strategic Partnership
- Student Centred
- Respect and Understanding
- Openness and Trust
- Mutual Support and Commitment
- Independence
- Accountability
- Diversity and Equality

These principles have been drawn together into a ‘Relationship Agreement’ Appendix B, which the Committee of University Chairs has endorsed alongside Universities UK and GuildHE. The National Union of Students is promoting the ‘Relationship Agreement’ with students’ unions across the UK. The Committee of University Chairs believes that governing bodies should champion excellent working relationships with their students’ union and recommends that governing bodies commit to these principles jointly with their students’ union, and work collaboratively to ensure that the principles are embedded throughout both organisations.
Putting the Principles into Practice

1. Strategic Partnership

The spirit of partnership should be fostered between higher education institutions and students’ unions, which should inform the strategic direction of both parties. In order to achieve this, governing bodies need to ensure that their students’ unions are fully involved in their strategic planning processes, so that they are given the opportunity to inform the future direction of the institution. Students’ unions should commit themselves to involving the institution in their strategic planning and development. A commitment will also need to be made by the institution to contribute to the strategic planning of the students’ union and to support their strategic development.

“The students’ union strategy has been presented to the university’s senior managers and the Board of Governors. Student union representatives are present at key committee discussions of the university strategy. Both parties appreciate the benefits of synergies between the documents.”

Jane Hopkinson, Registrar and University Secretary, University of Plymouth

The higher education institution can gain immensely by actively engaging students’ union representatives on key institutional decision making bodies. To maximise the benefits of their involvement, it is important to ensure that students’ union representatives are provided with a thorough induction and given the support needed to become active participants able to contribute fully to the meetings. This is particularly important for students’ union representatives because the annual election cycle limits the period of time that they are in office.

It is also important to acknowledge that attending and contributing to institutional decision making bodies can be a daunting experience for student representatives. They are expected to adjust quickly to dealing with a large volume of papers, which can prove difficult, particularly if they are written in a language which is unfamiliar to them or they contain acronyms that can create confusion.

It may prove to be beneficial for the institution to consider setting up a mentoring scheme so that student representatives have a named person to liaise with to address their support needs.

‘Student governors’, being student members of institutional governing bodies, often hold ex-officio positions on their governing body by virtue of their election to a representative position within their students’ union. It is important to ensure that student governors are clear that, whilst there is an expectation that they bring particular knowledge about the student perspective to the meetings, they sit on the governing body as a governor of the institution and not as a student representative.

They need to be made aware that they are personally responsible for the collective decisions made by the governing body and to be fully briefed about the conventions of confidentiality to enable them to understand what they are able to report back to others, and when. They should also be informed of the institution’s conflicts of interest policy and procedures, so that they are aware of the associated responsibilities. Student governors who are provided with a thorough induction and who understand their responsibilities as a governor of the institution will be able to participate fully at governing meetings. Institutions should seek to include the student governors in all aspects of institutional governance and should keep areas of business declared ‘reserved’ to an absolute minimum.

With this in mind the Committee of University Chairs recommends that, for students who are members of their institution’s governing body, inductions should include:

+ The role and responsibilities of members of a governing body with particular focus on the collective and ultimate responsibility for the governance of the institution
+ Compliance responsibilities
+ Conventions about confidentiality
+ Declaring conflicts of interest
Governing bodies should also regularly review any areas of business that are currently declared ‘reserved’ to assess whether there is continued justification for this.

2. Student Centred

The higher education institution and students’ union have a shared interest in developing and improving student experience of academia and extra-curricular aspects of their lives.

As an independent body, the students’ union is well placed to support students in their academic representation and to facilitate the course representatives system to enable student perspectives to be heard in the design, development and delivery of courses. The students’ union also has an important role in relation to the welfare of students and in promoting social and other activities.

The governing body should ensure that the higher education institution and their students’ union work together to achieve and/or maintain high levels of student satisfaction.

3. Respect & Understanding

For any relationship to work there needs to be clarity about, and shared understanding of, the distinct roles of each party and the value that they bring to the relationship. Ensuring that representatives from both the higher education institution and the students’ union take time to understand each other’s position is likely to be mutually beneficial.

The students’ union and the higher education institution will not always concur as they have distinct roles which will inevitably sometimes lead to a difference of perspective. When this occurs it is important for constructive interactions to be facilitated so that each party is provided with the opportunity to understand and take account of the other perspective. Constructive discussions are healthy in this context and a strong governing body will welcome the opportunity to consider a range of perspectives.

Whilst it is acknowledged that higher education institutions and students’ unions will sometimes experience differences of opinion, there is also likely to be a lot of common ground between the two bodies as a result of their shared student population. At the University of Reading they regularly focus on identifying synergy benefits, as detailed in the following quote:

“At our regular formal meetings we have a standing item called ‘Synergies’ - first introduced by students’ union and much valued by higher education institution - which explores and develops common approaches where appropriate.”

Professor Tony Downes, Deputy Vice Chancellor, University of Reading

This helps to identify common ground and the benefits of working together to achieve shared goals.

4. Openness & Trust

Effective communication is a key component to successful relationships. It is beneficial to both higher education institutions and the students’ unions for full, open and regular communication on relevant issues to take place between them. This is particularly important in relation to issues likely to have an impact on the other party, the student population and/or other joint stakeholders. A reciprocal agreement for information to be shared in a timely manner engenders a spirit of trust in the relationship and provides the opportunity for both parties to respond as appropriate. Regular meetings between senior university managers and students’ union representatives are beneficial in this respect.
5. Mutual Support & Commitment

Higher education institutions and students’ unions should be able to demonstrate a commitment to making the relationship work through investment of time and resources.

Research undertaken by the National Union of Students indicated that students’ unions often feel that good relationships have been developed at a senior level within the institution, but that this is not always reflected in their interactions throughout the establishment, as demonstrated by the following quote:

“Generally a good relationship [exists] with staff at high levels of the institution but [there is] a more problematic one with staff at medium level.”

SU respondent

By committing to the ‘Relationship Agreement’ Appendix B and setting an expectation that the principles will be adhered to, the governing body can ensure that excellent working relationships are promoted throughout the institution. Governing bodies may wish to allocate a named representative to champion this work and ensure that it is embedded throughout the institution. It may also prove to be worthwhile to undertake an audit of relationships with the students’ union on an annual basis, in accordance with the ‘Relationship Agreement’.

6. Independence

Governing bodies should recognise the value of a strong, student-led students’ union empowered to determine and manage its own affairs. To achieve this, it is important for the governing body to encourage their students’ union to apply good practice in relation to their governance. The National Union of Students has developed a ‘Good Governance Code of Practice’ specifically for students’ unions, which is available online. The Good Governance Code of Practice forms part of an interactive website that students’ unions will be able to use to strengthen their governance arrangements. The Code of Practice identifies seven key principles of good governance in a students’ union context:

+ Democracy
+ Openness & Accountability
+ Clarity about the role of the Board
+ Effective Trustees & Board Performance
+ Delivering Organisational Purpose
+ Exercising Control
+ Behaving with Integrity

An outline of the 7 key principles that provide a framework for the code can be found in Appendix C. This code complements the ‘Good Governance Code for the Voluntary and Community Sector’. Governing bodies should encourage their students’ unions to access good practice guidance to assist them in reviewing and improving their governance arrangements.

7. Accountability

7.1 Section 22 of 1994 Education Act

Section 22 of the 1994 Education Act places a legal requirement on the governing body to ensure that the students’ union at the establishment ‘operates in a fair and democratic manner and is accountable for its finances’. It states that the governing body shall, in particular, take such steps as are reasonably practicable to secure the requirements set out below, on which some further advice or commentary is included in italics:

a) Approval of Governing Documents:
   The union should have a written constitution which should be subject to the approval of the governing body and to review at intervals of not more than five years.
b) Right not to be a member:
   Students should have the right to choose not to be a member of the union, and students who
   exercise that right should not be unfairly disadvantaged as a result.

c) Fair and Democratic:
   Appointment to major union offices should be by election in a secret ballot, in which all members
   are entitled to vote (this does not apply in the case of open or distance learning establishments).
   The governing body should satisfy themselves that the elections are fairly and properly
   conducted. A person should not hold sabbatical union office, or paid elected union office, for
   more than two years in total at the establishment.
   The Committee of University Chairs suggests that governing bodies may wish to ensure that an
   independent returning officer is appointed to oversee elections and report on their findings.

d) Financial Accountability:
   The governing body needs to ensure that the financial affairs of the union are properly
   conducted.
   The governing body should approve the union’s budget and monitor its expenditure.
   The union is required to present audited financial statements to the governing body each year.
   In accordance with 7.3 of this guide, wherever possible, reports should be compatible with the
   reporting requirements of other regulators.
   The procedure for allocating resources to groups or clubs should be fair and should be set down
   in writing and freely accessible to all students.

e) Affiliations:
   If the union decides to affiliate to an external organisation, it should publish notice of its decision.
   Where the union is affiliated to any external organisations, a report should be published, at
   least annually, containing a list of the external organisations to which the union is currently
   affiliated, and details of subscriptions or similar fees paid to such organisations. There should be
   procedures for the review of affiliations to external organisations under which the current list of
   affiliations is submitted for approval by members at least annually.

f) Complaints:
   There should be a complaints procedure available to all students or groups of students who are
   dissatisfied in their dealings with the union which should include provision for an independent
   person appointed by the governing body to investigate and report on complaints. Complaints
   should be dealt with promptly and fairly and where a complaint is upheld there should be an
   effective remedy.

g) Code of Practice:
   The governing body is required to prepare a code of practice setting out how the provisions of
   the Education Act 1994 are to be implemented. The Committee of University Chairs suggests
   that governing bodies may wish to review their Code of Practice in conjunction with their
   students’ union.

h) Informing students:
   The governing body must make arrangements to ensure that the ‘Code of Practice’ (g) is
   brought to the attention of students once a year. The governing body is also required to ensure
   that students are made aware each year of their right to opt out of union membership, and to
   ensure that they are notified of any provisions which the institution may have made to offer such
   students services which are normally provided by the union. This information is usually detailed
   in the institution’s Student Handbook.

Full details of Section 22 of the 1994 Education Act can be found in Appendix D.
7.2 Oversight of the students’ union

The students’ union is accountable to the higher education institution as supervisor (under the 1994 Education Act) and principal funder. This accountability should be upheld within a mutually agreed framework which is robust, effective and efficient. There are various ways that this could be achieved and it is important that your governing body finds a method that suits your individual situation. At Manchester University, oversight of the students’ union is accomplished by the following means:

“We have a university/union liaison forum which deals with union accounts and finances and constitutional issues. It ensures that the obligations under the University Code of Practice with the union are observed. There is also university representation on union electoral advisory committees to ensure the proper conduct of elections.”

Martin Conway, Deputy Secretary, University of Manchester

7.3 Regulation

To avoid duplication and maximise efficiency, wherever possible the students’ union reports to the governing body should be compatible with the reporting requirements of other regulators (where relevant), such as the Charity Commission, the Office of the Scottish Charity Regulator and/or Companies House.

As a result of the 2006 Charities Act, students’ unions in England and Wales with an annual turnover of more than £100,000 are required to register with the Charity Commission and to comply with their regulations and reporting requirements.

Students’ unions in Scotland are subject to regulation from the Office of the Scottish Charity Regulator.

The Charity Commission for Northern Ireland has recently been established under the Charities Act (NI) 2008. Students’ unions are expected to begin registration in the foreseeable future, however at present the timeline for this is not clear. Further details can be found on the Charity Commission’s website [www.dsdni.gov.uk/ccni.htm](http://www.dsdni.gov.uk/ccni.htm)

Students’ unions that are registered charities have to prepare annual returns to their respective charity regulator that include audited annual accounts. If they have an annual turnover of more than £250,000 they have to comply with the ‘Statement of Recommended Practice’ (SORP). The National Union of Students has developed ‘Guidance for Students’ unions on Reporting Under the Charities SORP’ in conjunction with accountancy firm Crowe Clark Whitehill LLP to support students’ unions to achieve this. The charity regulators also require registered students’ unions to submit an annual report detailing how their activities meet the ‘public benefit test’.

The National Union of Students have developed ‘Model Documents’ which recommend that students’ unions’ charitable purpose is for ‘the advancement of education’ and that they should meet the public benefit test by working in accordance with the following ‘Objects’:

**Objects**

The union’s objects are the advancement of education of students for the public benefit by:

+ Promoting the interests and welfare of students during their course of study and representing, supporting and advising students;
+ Being the recognised representative channel between students and their higher education institution and any other external bodies;
+ Providing social, cultural, sporting and recreational activities and forums for discussions and debate for the personal development of its students.
Further to the Objects, detailed above, the ‘Model Documents’ outline a number of powers that incorporate the range of activities that students’ unions typically undertake. A summary of these ‘Powers’ can be found in Appendix E, and full detail of the ‘Model Documents’ and guidance notes can be accessed via www.nusconnect.org.uk/goodgovernance/downloads.

Further guidance relating to the ‘Public Benefit Test’ can be found via the regulators websites; www.charity-commission.gov.uk for England and Wales, and www.oscr.org.uk for Scotland.

8. Diversity & Equality

‘The Relationship Agreement’ Appendix B encourages higher education institutions and students’ unions to demonstrate a shared commitment to equality and diversity and the fair treatment of all staff and students.

The Equality Act 2010 recently came into force and brings together nine separate pieces of legislation into one single Act, simplifying the law and strengthening it in important ways to help tackle discrimination and inequality. A series of guidance documents to help explain the Act and provide practical examples on how the law has changed are available from the Equalities and Human Rights Commission website. Targeted guides are available for employers, workers, service providers, service users, education providers and students. This legislation applies to both students’ unions and higher education institutions.

Further details can be found at www.equalityhumanrights.com/advice-and-guidance/new-equality-act-guidance/equality-act-2010-guidance

As previously referenced, the 1994 Education Act states that students have the right not to be a member of the union, and that any student who exercises this right should not be unfairly disadvantaged in the provision of services or other facilities. The governing body is responsible for ensuring that this is adhered to.
Top Ten Recommended Actions:

The Committee of University Chairs commends the ‘Relationship Agreement’ to governing bodies and invites them to consider the merits of:

1. **Relationship Agreement**
   Committing to the ‘Relationship Agreement’, jointly with their students’ union and working collaboratively to ensure that the associated principles are embedded throughout both organisations.

2. **Strategic Planning**
   Ensuring arrangements are in place, which support reciprocal involvement in the strategic planning processes of both higher education institution and students’ union.

3. **Thorough Induction**
   Ensuring that a thorough induction is provided for students who are members of key institutional decision making bodies and reviewing areas of business declared ‘reserved’.

4. **Mentoring Scheme**
   Setting up a mentoring scheme to help student representatives to navigate institutional governance.

5. **Champion**
   Appointing a named representative to champion excellent working relationships with their students’ union.

6. **Audit of the Relationship**
   Undertaking an annual audit of the relationship with the students’ union against the ‘Relationship Agreement’.

7. **Good Governance Code of Practice**
   Encouraging your students’ union to utilise the National Union of Students’ Good Governance Code of Practice.

8. **Independent Returning Officer**
   Ensuring that an independent Returning Officer is appointed for students’ union elections who reports to the governing body.

9. **Reporting Requirements**
   Reviewing the 1994 Education Act Code of Practice in conjunction with the students’ union.

10. **Compatibility of reporting with other regulators**
    Reviewing the students’ union reporting requirements and, wherever possible, ensuring that they are compatible with the reporting requirements of other regulators (where relevant).
Appendix A:

Good Governance & Good Relationships Survey Results:

May 2010

The National Union of Students (NUS) is currently undertaking a two year ‘Good Governance’ project which aims to support students’ unions to improve their governance and to strengthen relationships between students’ unions and their higher education institutions.

NUS surveyed all higher education institutions and students’ unions in England, from October to December 2009, as part of this project, funded by The Higher Education Funding Council for England (HEFCE). This paper provides an overview of the headline results of this survey.

70% of all student’s unions (SUs) and 63% of all higher education institutions (HEIs) in England participated. The survey generated some very rich data regarding SU governance and the relationships that exist between SUs and their HEIs. The results are currently being used to inform the development of sector specific good practice guidance.

Respondents

The Good Governance and Good Relationships Survey received 281 responses, 160 from students’ unions and 121 from higher education institutions. This was an excellent response rate as 70% of all SUs and 63% of all HEIs participated (according to HEFCE figures) and respondents represented institutions and unions of all sizes, income levels and spanned the mission groups.

A range of different perspectives were gained. Almost a quarter of responses from HEIs were either from the chair or a lay member of the institutions’ governing body; other respondents represented the institutions senior management and were predominately from registrars. SU responses were gained from officers, staff members, student trustees and external trustees.

Relationships

A very positive picture was presented of the relationships that exist between higher education institutions and students’ unions. 91% of all HEIs and 69% of all SU respondents described the relationship with the other party as either ‘good’, ‘very good’ or ‘excellent’. Where a direct comparison was possible, respondents from 35 HEIs and SUs agreed that their relationships were either ‘very good’ or ‘excellent’. There were some examples where the SU downgraded their relationship rating, because they felt that the ‘good’ relationship, which had been developed at a senior management level, was not embedded throughout both the SU and HEI.
This is illustrated by the following quote:

“Generally a good relationship [exists] with staff at high levels of the institution but [there is] a more problematic one with staff at medium level.”

SU respondent

The data provided us with a range of examples as to what contributes to a successful relationship. Themes included: mutual support, respect, trust, open communication, clear accountability, partnership working and strategic understanding. Conversely, the data from respondents who rated their relationship less favourably demonstrated that the absence of these relationship characteristics led to tension between the two parties.

Building and Maintaining Positive Relationships

The vast majority of HEIs (76%) and SUs (78%) agreed that their students’ union place a ‘high’ or ‘medium to high’ level of priority on building and maintaining a positive working relationship with their HEI. 95% of HEIs reported that they rated their relationship with their SU as either ‘high’ or ‘medium to high’, almost half of all SU respondents concurred with this perspective.

Divergence

There were only 14 HEIs and SUs that showed a significant disparity (at least a two point difference) between how the HEI and SU rated their relationship. In 12 out of 14 cases the HEI was more optimistic with their rating. Reasons provided as to why these SUs viewed the relationship less favourably included: a perception that the HEI did not fully understand how and why the SU operates in the way that it does; a lack of trust between the two parties; that the students’ union felt that the HEI
undervalued the SU. In 7 instances the SU indicated that they felt that their relationship with their HEI was improving or they recognised that there was a desire on the part of the HEI to work with the SU.

Relationship Drivers

There was a very close alignment in respondents’ perceptions of the main drivers for developing a good working relationship between SUs and HEIs, as displayed in the graph below.

Respondents from HEIs and SUs both rated ‘improved student experience’ as the most significant driver for developing good relationships. A number of respondents commented that improving student experience was their ultimate aim. The survey results showed that it is mutually beneficial for SUs and HEIs to jointly identify shared goals, as the following quote from a HEI respondent shows:

“At our regular formal meetings we have a standing item called ‘Synergies’ - first introduced by SU and much valued by HEI - which explores and develops common approaches where appropriate.”

HEI respondent

Level of HEI oversight

A range of responses were provided in answer to a question about the level of oversight the HEI has of the SU, some examples are as follows:

1. “The union is a separate legal entity that employs its own staff, owns its own building etc. As a recipient of money from the university it reports regularly on its financial performance and is subject to internal audit processes. It reports as required to the university to fulfil the obligations of the Education Act.”

HEI respondent

2. “We keep the University well informed of the developments and engage them for support, guidance and buy-in where it makes sense.”

SU respondent

3. “Senior management within the university treats the students’ union as a completely separate organisation and doesn’t really want much to do with us, not even to regulate us! Whilst this has its advantages, I believe that this is why the students’ union has not developed in step with the sector and has been left to wither on the vine.”

SU respondent

4. “There is no block grant with each item of funding requiring approval…decision making power is controlled severely.”
Points 1 and 2 provide examples of interactions between SU and HEI where there is regular engagement between each party and there appears to be a healthy balance of oversight and independence. Points 3 and 4 demonstrate two ends of the spectrum, on the one hand total autonomy and on the other complete control, neither of which represents a healthy working relationship which encourages the growth and development of SU in the long term.

Governance

The survey results highlighted that an enormous amount of work has been undertaken across the sector to strengthen the governance of students’ unions. 78% of all SU respondents indicated that their students’ union governance had been reviewed within the last two years. Many students’ unions preparing for charity registration have chosen to combine this preparation with a review of their broader governance arrangements. Recent reviews have predominately included changing governance structures, updating governing documents, and broadening the membership of the SU board to include student trustees and external/lay trustees.

The vast majority of SUs are unincorporated associations, although some SUs have chosen to change their legal form and have incorporated to become a Charitable Company Limited by Guarantee. The survey results suggest that a level of confusion exists about the difference between legal form and charity registration. A change of legal form is not required as a result of the introduction of charity registration for students’ unions.

41% of SU respondents reported that their students’ union is planning to review their governance during the next 12 months.

The survey results show that there is strong support for the development of sector specific governance guidance and an associated toolkit, as shown in the following graph:

Conclusions and Reflections

In conclusion, the survey has evidenced that there is an array of examples of very good practice across the sector, highlighting strong SU governance and excellent working relationships between HEIs and SUs. This is very encouraging as strong SU governance provides the foundations for a healthy SU and positive working relationships between the HEI and SU helps each party to gain the best possible outcomes for their students. The project survey has demonstrated that whilst there is a level of congruence, there is also some divergence between the perceptions of the relationships that exist between HEIs and SUs. Furthermore there are some differences of opinion about what
constitutes an excellent working relationship.

With this in mind, HEIs and SUs may wish to consider working together to:

- Create a regular time and space for HEI and SU representatives to discuss the relationships that exist between each organisation, with the view to embedding excellent working relationships between both organisations at all levels.

- Ensure that there is a regular opportunity to jointly identify the synergy benefits of HEI and SU working together for the furtherance of common goals.

Next steps

In light of these results, NUS is in discussion with sector partners about producing a model ‘Relationship Agreement’ which will set out the principles of an excellent working relationship. HEIs and SUs will be able to jointly commit to these principles or alternatively use them as a basis for formulating localised agreements.

The results are also being used to inform the production of a sector specific ‘Good Governance Code of Practice’ for students’ unions, and an associated toolkit.

These documents can be found online at [http://www.nusconnect.org.uk/goodgovernance/sections](http://www.nusconnect.org.uk/goodgovernance/sections)

NUS is also working with the Committee of University Chairs (CUC) to produce supplementary guidance to the CUC ‘Guide for Members of Higher Education Governing Bodies’, specifically around good practice in the oversight of students’ unions.

All of the guidance produced as an outcome of this project will be available online for all students’ unions and higher education institutions to use in the development of their SUs governance, and to support and strengthen good relationships between HEIs and SUs.

Further Information

For further information about the project visit [www.nusconnect.org.uk/goodgovernance](http://www.nusconnect.org.uk/goodgovernance)
Appendix B: Relationship Agreement

Principles that underpin excellent working relationships between higher education institutions and students' unions have been identified and formulated into a Relationship Agreement.

Endorsed by:

In Association with:
Relationship Agreement

**Principles that underpin excellent working relationships between higher education institutions and students’ unions**

+ **Strategic Partnership**

  Spirit of partnership between HEI and SU informing the strategic direction of both parties and informing service agreements.

  Informed engagement of SU representatives in key institutional decision making bodies.

+ **Student Centred**

  Shared commitment to developing and improving students’ experience of academia and extra-curricular aspects of their lives.

+ **Respect and Understanding**

  Clarity about, and mutual understanding of, the distinct roles of the HEI and the SU and the value that each party brings to the relationship.

+ **Openness and Trust**

  Full, open, regular communication on relevant issues, in particular issues likely to have an impact on the other party, the student population and/or other joint stakeholders.

+ **Mutual Support and Commitment**

  Constructive interactions.

  Demonstrable commitment to making the relationship work through investment of time and resources.

+ **Independence**

  Recognition of the value of a strong, student-led students’ union empowered to determine and manage its own affairs.

  Recognition of the need for the HEI to balance the interests of a range of stakeholders within an increasingly challenging external context.

+ **Accountability**

  Accountability of SU to HEI as supervisor (under the 1994 Education Act) and principal funder, within a mutually agreed framework which is robust, effective, efficient and compatible with the reporting requirements of other regulators (where relevant), such as the Charity Commission, the Office of the Scottish Charity Regulator and/or Companies House.

  Acknowledgement by HEI that the SU is a major stakeholder and primary body representing the student voice.

+ **Diversity & Equality**

  A shared commitment to equality and diversity and the fair treatment of all staff and students.
Appendix C:

Extract from the NUS Good Governance Code of Practice:
Principles of Good Governance.

+ Democracy

The principle of ‘Democracy’ is fundamental to all students’ unions and is enshrined in the 1994 Education Act. This principle looks for students’ unions to demonstrate that their membership is at the heart of the organisation. It also sets an expectation that students’ unions should have fair and transparent democratic processes and procedures which are accessible to all.

+ Openness & Accountability

The principle of ‘Openness and Accountability’ looks for students’ unions to demonstrate that their decision making processes are transparent and that those responsible for making decisions are held to account. It also sets an expectation that students’ unions are able to identify their key stakeholders and evidence how they ensure effective communication is achieved.

+ Clarity about the role of the board

This principle seeks to ensure that students’ unions are able to demonstrate that the role of their Board of Trustees is clear. The Board is ultimately responsible for the governance of the students’ union, therefore it is imperative that their role is clearly defined and understood. Furthermore, students’ unions that employ staff need to be clear about the Board's role in relation to the senior staff member and the wider staff team.

+ Effective Trustees & Board Performance

Good governance relies on high quality trustees who collectively operate as an efficient and effective Board. The compliance statements relating to ‘Effective Trustees and Board Performance’ deal with the composition of the board, procedures for joining and leaving the Board, how the Board functions and reviewing Board performance.

+ Delivering Organisation Purpose

‘Delivering Organisational Purpose’ is all about strategic development and demonstrable impact, to ensure that the Student Union has a clear vision for the future and a plan as to how this will be achieved. Furthermore, Student UnioNs need to be able to report on the impact that the work of their work has on its key stakeholders (as identified in accordance with 2.10). This principle also looks for the Student Union to demonstrate a commitment to continuous development and quality improvement.

+ Exercising Control

The principle of ‘Exercising Control’ seeks to ensure that the Student Union complies with all legal and regulatory requirements. It also sets an expectation that the Board maintains an oversight of the operations of the organisation to ensure that it is performing effectively in line with the Student Union strategy and is appropriately managing risks.
Integrity

The principle of ‘Behaving with Integrity’ sets out an expectation that trustees of Student Unions adhere to high standards of conduct. Trustees should work in the interests of their Student Union and its membership at all times and must not seek personal gain. This principle includes an expectation that there are clear policies and procedures in place that trustees need to adhere to with regards to declaring conflicts of interest and claiming expenses. Student Unions must also have clear procedures in place for removing trustees from their position if they fail to behave in accordance with the standards expected of them.

Each principle in the code is supported by a number of compliance statements that students’ unions can use to assess their governance against. Further detail is available online at www.nusconnect.org.uk/goodgovernance
Appendix D:

Section 22 of the 1994 Education Act:
Requirements to be observed in relation to students’ unions.

(1) The governing body of every establishment to which this Part applies shall take such steps as are reasonably practicable to secure that any students’ union for students at the establishment operates in a fair and democratic manner and is accountable for its finances.

(2) The governing body shall in particular take such steps as are reasonably practicable to secure that the following requirements are observed by or in relation to any students’ union for students at the establishment—

(a) the union should have a written constitution;

(b) the provisions of the constitution should be subject to the approval of the governing body and to review by that body at intervals of not more than five years;

(c) a student should have the right—
(i) not to be a member of the union, or
(ii) in the case of a representative body which is not an association, to signify that he does not wish to be represented by it, and students who exercise that right should not be unfairly disadvantaged, with regard to the provision of services or otherwise, by reason of their having done so;

(d) appointment to major union offices should be by election in a secret ballot in which all members are entitled to vote;

(e) the governing body should satisfy themselves that the elections are fairly and properly conducted;

(f) a person should not hold sabbatical union office, or paid elected union office, for more than two years in total at the establishment;

(g) the financial affairs of the union should be properly conducted and appropriate arrangements should exist for the approval of the union’s budget, and the monitoring of its expenditure, by the governing body;

(h) financial reports of the union should be published annually or more frequently, and should be made available to the governing body and to all students, and each such report should contain, in particular—
(i) a list of the external organisations to which the union has made donations in the period to which the report relates, and
(ii) details of those donations;

(i) the procedure for allocating resources to groups or clubs should be fair and should be set down in writing and freely accessible to all students;

(j) if the union decides to affiliate to an external organisation, it should publish notice of its decision stating—
(i) the name of the organisation, and
(ii) details of any subscription or similar fee paid or proposed to be paid, and of any donation made or proposed to be made, to the organisation, and any such notice should be made available to the governing body and to all students;
(k) where the union is affiliated to any external organisations, a report should be published annually or more frequently containing—

(i) a list of the external organisations to which the union is currently affiliated, and

(ii) details of subscriptions or similar fees paid, or donations made, to such organisations in the past year (or since the last report), and such reports should be made available to the governing body and to all students;

(l) there should be procedures for the review of affiliations to external organisations under which—

(i) the current list of affiliations is submitted for approval by members annually or more frequently, and

(ii) at such intervals of not more than a year as the governing body may determine, a requisition may be made by such proportion of members (not exceeding 5 per cent.) as the governing body may determine, that the question of continued affiliation to any particular organisation be decided upon by a secret ballot in which all members are entitled to vote;

(m) there should be a complaints procedure available to all students or groups of students who—

(i) are dissatisfied in their dealings with the union, or

(ii) claim to be unfairly disadvantaged by reason of their having exercised the right referred to in paragraph (c) (i) or (ii) above, which should include provision for an independent person appointed by the governing body to investigate and report on complaints;

(n) complaints should be dealt with promptly and fairly and where a complaint is upheld there should be an effective remedy.

(3) The governing body of every establishment to which this Part applies shall for the purposes of this section prepare and issue, and when necessary revise, a code of practice as to the manner in which the requirements set out above are to be carried into effect in relation to any students’ union for students at the establishment, setting out in relation to each of the requirements details of the arrangements made to secure its observance.

(4) The governing body of every establishment to which this Part applies shall as regards any students’ union for students at the establishment bring to the attention of all students, at least once a year—

(a) the code of practice currently in force under subsection (3),

(b) any restrictions imposed on the activities of the union by the law relating to charities, and

(c) where the establishment is one to which section 43 of the M7Education (No.2) Act 1986 applies (freedom of speech in universities and colleges), the provisions of that section, and of any code of practice issued under it, relevant to the activities or conduct of the union.

(5) The governing body of every establishment to which this Part applies shall bring to the attention of all students, at least once a year, and shall include in any information which is generally made available to persons considering whether to become students at the establishment—

(a) information as to the right referred to in subsection (2) (c) (i) and (ii), and

(b) details of any arrangements it has made for services of a kind which a students’ union at the establishment provides for its members to be provided for students who are not members of the union.

(6) In subsections (2), (4) and (5) the expression “all students” shall be construed as follows—

(a) in relation to an association or body which is a students’ union by virtue of section 20(1), the reference is to all students at the establishment;
(b) in relation to an association or body which is a students’ union by virtue of section 20(2),
the reference is to all undergraduate, or all graduate, students at the establishment or to all
students at the hall of residence in question, as the case may be;

(c) in relation to an association or body which is a students’ union by virtue of section 20(3), the
reference is to all the students who by virtue of section 20 (1) or (2) are comprehended by that
expression in relation to its constituent or affiliated associations or bodies.

(7) In this section the expression “members”, in relation to a representative body which is not an
association, means those whom it is the purpose of the union to represent, excluding any student
who has exercised the right referred to in subsection (2) (c) (ii).

(8) In subsection (2) (j) to (l) the references to affiliation to an external organisation, in relation to a
students’ union for students at an establishment, include any form of membership of, or formal
association with, an organisation whose purposes are not confined to purposes connected with
that establishment.

(9) Subsection (2) (d) and (l) (ii) (elections and affiliations: requirements to hold secret ballot of all
members) do not apply in the case of an open or distance learning establishment, that is, an
establishment where the students, or the great majority of them, are provided with materials for
private study and are not required to attend the establishment to any significant extent or at all.
Appendix E  

Extract from the NUS Model Documents

Objects

1. The Union’s objects are the advancement of education of Students at [Insert name of institution] for the public benefit by:

   1.1 Promoting the interests and welfare of Students at [Insert name of institution] during their course of study and representing, supporting and advising Students;

   1.2 Being the recognised representative channel between Students and [Insert name of institution] and any other external bodies;

   1.3 Providing social, cultural, sporting and recreational activities and forums for discussions and debate for the personal development of its Students.

Powers

2. To further its objects, but not to further any other purpose, the Union may:

   2.1 Provide services and facilities for Members;

   2.2 Establish, support, promote and operate a network of student activities for Members;

   2.3 Support any RAG or similar fundraising activities carried out by its Members for charitable causes, including the provision of administrative support, banking facilities and acting as a holding trustee of any funds raised;

   2.4 Alone or with other organisations:

      2.4.1 Carry out campaigning activities;

      2.4.2 Seek to influence public opinion; and

      2.4.3 Make representations to and seek to influence governmental and other bodies and institutions regarding the reform, development and implementation of appropriate policies, legislation and regulations provided that all such activities shall be confined to the activities which an English and Welsh charity may properly undertake and provided that the Union complies with the Education Act and any guidance published by the Charity Commission;

   2.5 Write, make, commission, print, publish or distribute materials or information or assist in these activities;

   2.6 Promote, initiate, develop or carry out education and training and arrange, provide or assist with exhibitions, lectures, meetings, seminars, displays or classes;

   2.7 Promote, encourage, carry out or commission research, surveys, studies or other work and publish the useful results;

   2.8 Provide or appoint others to provide advice, guidance, representation and advocacy;

   2.9 Co-operate with other charities and bodies and exchange information and advice with them;

   2.10 Become a member, affiliate or associate of other charities and bodies;
2.11 Support, set up or amalgamate with other charities with objects identical or similar to the Union’s objects, and act as or appoint trustees, agents, nominees or delegates to control and manage such charities;

2.12 Purchase or acquire all or any of the property, assets, liabilities and engagements of any charity with objects similar to the Union’s objects;

2.13 Incorporate and transfer all its assets to a charitable limited liability legal entity, and dissolve at any time following such incorporation and transfer if the Trustees consider it appropriate to do so;

2.14 Raise funds and invite and receive contributions from any person provided that the Union shall not carry out any taxable trading activities in raising funds;

2.15 Borrow and raise money on such terms and security as the Union may think suitable (but only in accordance with the restrictions imposed by the Charities Act 1993);

2.16 Purchase, lease, hire or receive property of any kind including land, buildings and equipment and maintain and equip it for use;

2.17 Sell, manage, lease, mortgage, exchange, dispose of or deal with all or any of its property (but only in accordance with the restrictions imposed by the Charities Act 1993);

2.18 Make grants or loans of money and give guarantees;

2.19 Set aside funds for special purposes or as reserves against future expenditure;

2.20 Invest and deal with the Union’s money not immediately required for its objects in or upon any investments, securities, or property;

2.21 Delegate the management of investments to an appropriately experienced and qualified financial expert provided that:

   2.21.1 The investment policy is set down in writing for the financial expert by the Trustees;
   2.21.2 Every transaction is reported promptly to the Trustees;
   2.21.3 The performance of the investment is reviewed regularly by the Trustees;
   2.21.4 The Trustees are entitled to cancel the delegation at any time;
   2.21.5 The investment policy and the delegation arrangements are reviewed at least once a year;
   2.21.6 All payments due to the financial expert are on a scale or at a level which is agreed in advance and are notified promptly to the Trustees on receipt; and
   2.21.7 The financial expert may not do anything outside the powers of the Trustees;

2.22 Arrange for investments or other property of the Union to be held in the name of a nominee (being a company or a limited liability partnership registered or having an established place of business in England and Wales) under the control of the Trustees or a financial expert acting under their instructions and to pay any reasonable fee required;

2.23 Lend money and give credit to, take security for such loans or credit and guarantee or give security for the performance of contracts by any person or company;

2.24 Open and operate banking accounts and other facilities for banking and draw, accept, endorse, negotiate, discount, issue or execute negotiable instruments such as promissory notes or bills of exchange;

2.25 Trade in the course of carrying out any of its objects;
2.26 Establish or acquire subsidiary companies to carry on any taxable trade;

2.27 Subject to Clause 5 (Limitation on private benefits), employ and pay employees and professionals or other advisors;

2.28 Grant pensions and retirement benefits to employees of the Union and to their dependants and subscribe to funds or schemes for providing pensions and retirement benefits for employees of the Union and their dependants;

2.29 Pay out of the funds of the Union the cost of any premium in respect of any indemnity insurance to cover the liability of the Trustees (or any of them) which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default, breach of trust or breach of duty of which they may be guilty in relation to the Union provided that no such insurance shall extend to:

2.29.1 Any claim arising from any liability incurred by the Trustees to pay a fine imposed in criminal proceedings or a sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirement of a regulatory nature (however arising);

2.29.2 Any liability incurred by the Trustees in defending any criminal proceedings in which the Trustees are convicted of an offence arising out of any fraud or dishonesty, or wilful or reckless misconduct; or

2.29.3 Any liability incurred by the Trustees to the Union that arises out of any conduct which the Trustees knew (or must reasonably be assumed to have known) was not in the interests of the Union or in the case of which they did not care whether it was in the best interests of the Union or not; and

2.30 Do all such other lawful things as shall further the Union’s objects.