

Students' Union Independence Referendum Information Pack - Autumn 2023

This report has been drafted by the Students' Union Manager with the support of the Governing Board and Student Parliament members, and reviewed by members of the University's Executive Board. It is intended to be an unbiased information pack, which allows students to weigh up the pros and cons of current and potential options, and submit their votes in the referendum accordingly.

1. Introduction and Context

For nearly three years, the Students' Union (SU) has been deliberating its transition into an independent charity, striving to make the case for better services to students. This has coincided with changes in university leadership and significant SU development to better serve student needs, benchmarked against industry standards and sector best practice. Notable figures in the sector, including consulting firms, the SU Governing Board and Student Parliament members of 2022-2023, have endorsed this path.

- The Students' Union Governing Board, via a unanimous vote in October 2022.
 - The SUGB consists of four external governors, one university representative, two elected student representatives and the two sabbatical officers
- Student Parliament members 2022-23, via a formal vote in April 2023.
 - Turnout was 89% and members voted in favour of the SU becoming an independent charity with a majority of 92%

This report aims to provide a concise overview of how independence may benefit our students and what challenges the SU would face from changing its status from a department of the university, to a charitable incorporated organisation (CIO).

The Independence Referendum vote will be open from Monday 9th October until Friday 20th October.

2. Benefits to Students

2.1 Confidence

Independence may result in students having enhanced confidence in the SU. It is also acknowledged that confidence may also be enhanced through provision of services regardless of independence. While the benefits of independence may not be immediately evident as a move to becoming independent is largely a structural one, they are integral to students' long-term confidence and perception of the SU. These advantages include:

Students can be confident that their SU has the political independence required to authentically represent the student voice, even on difficult issues.

Students can be confident that their SU can provide genuine independent, impartial and confidential advice.

Students can be confident that their SU and the staff employed within will always operate in their best interests.

Students can be confident that their SU belongs to them, with ultimate control over the shape and structure of the SU through the AGM and Student Parliament.

Students can be confident that their SU is operating within best practice guidance and can offer similar or equal services to SUs across the sector.

Students can be confident that the SU can be a more effective 'critical friend' to the university and provide a new level of scrutiny than if it were a department of the university.

2.2 Independent Advice

Independence allows the SU to offer more glaring optics of independent advice, particularly in academic and disciplinary matters, where objectivity is crucial. Current employment arrangements already require SU to provide unbiased and independent advice, which the Advice Centre does through its highly trained staff.

However, some concerns have been raised as to whether the SU would meet the test of independence if a student, particularly one who was unhappy with the outcome of a complaint or appeal, raised the fact that all SU staff, including the Advice Coordinator and sabbatical officers, are currently employed by the University.

Recent conversations with the University's Legal Team have raised discussions around the requirement for all University employees to inform the Legal Team if a student threatens litigation or 'exposure' through media attention. Understandably, this is a requirement of University employees for insurance reasons. However, as a service which offers 'independent advice', this raises concerns for the Advice Centre as its staff would not ordinarily share details about a student's intentions with the university, particularly if they specifically asked us not to. Providing that the student is not a risk to themselves or others, the team would not ordinarily break their confidentiality clause.

A similar situation may occur if a sabbatical officer wishes to speak to the press about the University. Theoretically, a sabbatical officer is exempt from disciplinary procedures if acting in the best interests or on behalf of students, but at the same time, as an employee of the University they are obliged to inform the University of their intentions.

This is a concern for the SU's Advice Centre, as in recent years more and more students have started to enquire about the true independence of the service. If the SU are not able to provide a truly independent service in which students are able to share their thoughts and concerns without the risk of having the university informed, then it risks losing reputational integrity amongst the student body.

Possible solutions to this lie in becoming an independent organisation, whose staff are not bound by university employment contracts. Another solution could be through a clear communication campaign which clearly shows the SU's abilities as inabilities of service as a university department.

2.3 Funding Opportunities and Contracts

Independence would enable the SU to diversify its funding sources and enter into external contracts more efficiently. In recent years the SU has been offered multiple commission-based contracts with local and national businesses. Each of these may boost the SU's annual income by between £500 and £5000 per year. For an organisation with a current annual budget of £144,00 budget, this would make a marked impact on the events and activities the SU can provide for students.

Some efficiency may be able to be achieved by obtaining a swifter response from ULaw's Finance team or be sought through creating a separate Finance Team within an independent SU.

2.4 Charity Rates and Discounts

Becoming a registered charity offers financial benefits, such as reduced rates from external organisations. Maintaining charity status aligns with sector standards and saves costs that can be redirected toward student opportunities.

3. University Considerations

When analysing the benefits and challenges of independence, it is important to note that being independent does not mean being disconnected from The University of Law. The nature of being a students' union requires a close working relationship between both organisations. This relationship is detailed within the Education Act, as well as within the constitution of the SU and the Memorandum of Understanding between ULaw and ULaw SU. In order to deliver for students, it is important that structural change does not hinder partnership working which should be hardwired into the DNA of the university and the SU. The SU has seen significant structural change over the past 2.5 years, with the expansion of permanent and elected staff and officers, which has only improved the working relationships between the SU and ULaw.

3.1 Financial Accountability

The SU currently receives its financial reports from the University Finance Team on a monthly. These reports are often incomplete and/or contain assignment errors which can account for up to 50% of allocated spending. This results in inaccurate finance reports being presented to the SU Governing Board, but also inaccurate records being held by the Finance Team. The Education Act 1994 Part II states the following:

(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

Neither of these requirements are currently being met as both the Union and the University are unable to accurately measure the expenditure of the Union with the current systems.

As an independent charity, the Union would be able to ensure better financial accountability, allowing the SU to manage its finances independently, meet regulatory requirements, and expedite payments, fostering smoother collaboration with external partners. This will come at additional cost to the University to provide financial support to increase the administration of the SU, where these services are currently offered in-house. The University would naturally undertake a higher level of scrutiny on SU spending in this case.

3.2 Clearer Responsibilities and Accountability

Independence clarifies the boundaries of responsibility, reducing risks associated with unclear oversight. An independent SU allows the institution to have an arms-length approach to activity that might be perceived to hold more risk than the institution may be comfortable in holding, while still allowing a freedom of student activities that you would expect to see at most SUs.

However, it is also recognised that this clarity may be sought through more effective communication between SU and ULaw departments. It allows the SU to manage activities efficiently while maintaining a suitable level of risk, which on the other hand would have to be pre-emptively assessed by ULaw.

3.3 Reputation and Best Practice

Recent research suggests that students' union autonomy is vital to a healthy relationship between it and the university, and the culture of independence is long-standing amongst the larger established universities in the UK.

Independence supports an authentic partnership between students and the university, essential for effective student engagement. An independent SU could be seen as providing unbiased representation, contributing to the university's reputation and regulatory compliance.

4. Benefits to ULaw SU

4.1 More Efficient Processes

Students' Unions are naturally dynamic organisations. They respond to student need quickly and efficiently. Independence streamlines decision-making processes, reducing bureaucracy and accelerating student-focused initiatives. This enhances the SU's ability to respond promptly to student needs. However, it is acknowledged that this may be achieved in part through an improvement of ULaw Teams' responsiveness.

4.2 Signing of Contracts

Independence would allow the SU to sign contracts as a legal entity, eliminating individual liability risks and reducing reliance on the university's legal team.

4.3 Benefits to Students

Improvements in SU efficiency and policy-making processes directly benefit students, ensuring a more comparable experience to other universities and enhancing student engagement. It is acknowledged that the latter can be obtained through more effective communication to the student community about the benefits of SU services, with the support of wider university teams and senior managers.

5. Challenges

The process of registering as an independent charity does not come without its challenges and its risks. The University and Students' Union consider these challenges to be manageable and common within the sector. Below are some of the key challenges we have identified, primarily for the University and the Students' Union.

5.1 Additional Cost

Becoming a separate organisation will not be without its costs. Initial estimations from the Students' Union put these costs to be in the region of an additional £140,000, but further conversations are required with the Chief Financial Officer.

5.2 Staff Time

The process of registering with the Charity Commission can take 3-6 months, and the incorporation process to become a CIO can take 6-12 months and sometimes longer. However, some of this work has already been completed in anticipation for a possible future independent SU. The SU recognises the impact of this time on the staff team and has taken consideration of this in the planning process. We know that if the change is approved, it will not be a quick process and there will be a lot to think about.

5.3 New Policies and Procedures

A similar point to 5.2, as an independent organisation the SU will need to have their own suite of policies and processes. In line with best practice within the sector, the SU Governing Board is already working on some of these, who see this as an opportunity to be on the edge of new and relevant changes to leadership and management and ensuring that SU processes are accessible and offer equal opportunities.

5.4 Increased Level of Risk for the SU

Without the safety net of the University insurance and advice, the SU naturally be opened up to increased risk. This will need to be considered with additional insurance, and taking support and guidance from NUS and the Charity Commission in regards to sector requirements. The SU has a strong Governing Board and a skilled strategic leadership team who are able to lead the organisation through such a period of change. This process has been tested time and time again within the wider sector over the past 10-15 years, with over 150 SUs in the UK having undertaken this same process.

5.5 Staff Benefits

We recognise that through leaving the support provided by the university's HR system and the benefits that come along with being employed by The University of Law, the SU is unlikely to be able to offer the same level of staff benefits as the University. This has been discussed with the current SU staff team and we hope to retain pension contributions to the same level as well maintaining salaries at a level comparable to the wider sector. A formal staff consultation process with external HR support will be allocated within the timeline if the move to independence is approved, as well as support with the accompanying TUPE transfer.

6. Considerations and Final Comments

6.1 Non-Approval of Independence

If independence is not chosen as the path for improvement of students' services, urgent steps are required to address compliance issues and provide a satisfactory student experience while adhering to sector best practices.

The University has assured the SU that they will seek to address concerns around governance, financial, HR and other efficiencies, so that they can operate independently, whilst ensuring value for money to enable greater benefits to support the student experience. It is proposed that this will be achieved through dedicated, allocated partnerships with the university functions that support the SU.

Independence represents a structural change that may benefit both students, the SU and the University. If independence is delivered in a smooth manner, as has been successfully done at other institutions, it should not be noticeable to students, with the exception of improved access to opportunities as detailed above.

However, it is acknowledged that some of these benefits may also arise from improving the current arrangement. Collaboration between the university and the SU remains vital to ensure continued success and it should be noted that the university has committed to providing this, independently of any change to the status of the SU. It is important to take a balanced view regarding independence, allowing the SU to evolve and provide improved services for students.

7. Voting in the Independence Referendum

We invite all ULaw students, including those studying part-time, online or via international campuses to vote on whether you believe the Students' Union should become an independent charity.

As well as reading the information above, if you have any questions, please do feel free to attend one of our information sessions with the SU Co-Presidents:

Thursday 5th October, 3pm – 4pm UK time

Join via Microsoft Teams [HERE](#) Meeting ID: 369 095 626 89 Passcode: TkfrDC

Monday 9th October, 1pm – 2pm UK time

Join via Microsoft Teams [HERE](#) Meeting ID: 351 719 200 646 Passcode: sxHAjD

Tuesday 10th October, 6pm – 7pm UK time

Join via Microsoft Teams [HERE](#) Meeting ID: 363 251 586 079 Passcode: qFByMf

Friday 13th October, 12:30pm – 1:30pm UK time

Join via Microsoft Teams [HERE](#) Meeting ID: 312 253 970 231 Passcode: 2vSKwf

Wednesday 18th October, 5:45pm – 6:45pm UK time

Join via Microsoft Teams [HERE](#) Meeting ID: 340 569 864 368 Passcode: xq5mkx

Submit your vote at the same time as voting in the Lead ULaw Elections. When you log in, you'll be invited to submit your vote for the Independence Referendum first, followed by all the representative roles.

Voting is open from Monday 9th October – Friday 20th October 2023.