

OU Students Shop Working Group

Terms of Reference

1. Overall purpose of the Working Group

The OU Students Shop is the trading operation of the Open University Students Association, raising funds to support the charitable objectives of the Association.

The purpose of this Working Group is:

- a) To provide an oversight of the OU Students Shop and report back to the OU Finance Resources and Risk Committee (FRRC) on the financial performance to date and forecast year end position of the trading operation
- b) To monitor operations and activities of the OU Students Shop to maximise its contribution to the Association's aims and objectives, adhering to the Articles of Association and [Charity Commission guidance on lawful trading](#).
- c) To monitor compliance of the OU Students Shop with the Association's Articles, in particular monitoring revenue earned against HMRC's small trading tax exemption limit, keeping FRRC informed so that appropriate action may be taken to minimise the risk of giving rise to taxable profits (Article 5.29.).

2. Membership:

The Working Group will have its membership structure reviewed by the OU Students Association Board of Trustees and appoint the Members biennially (in the Conference year). The membership review process will be carried out alongside the Officer remits review. Not more than 30 months should pass between the appointment of the new Members and the existing ones.

The Working Group will consist of:

Members with the voting rights:

VP Community (ex-officio)

VP Administration (ex-officio)

A Representative of the OU Students Association Board of Trustees

Student Member (appointed by the Appointments Committee)

Members with advisory roles:

Head of Business Services

Associate Director – Finance and Compliance

Appointed voting Members are expected to serve a minimum of one office term (two years) and a maximum of three (six years in total).

In case of a vacancy or resignation, the Trustees of the Association will have the power to co-opt new members to the Working Group. Their appointments may be permanent (for the remainder of the term) or temporary depending on the Elections or By-Elections timetable.

The Working Group may invite additional voting members to attend meetings when Core Members are unavailable to maintain a meeting quorum. Unavailable members can propose a deputy/proxy to attend in their place for approval by the Chair of OUSSWG. The Deputy/Proxy will usually be a member of the Student Leadership Team (SLT). The Chair of OUSSWG must be notified and approve changes to the voting membership in advance of meetings. When possible one week's notice should be given.

The Working Group may invite additional non-voting members to attend meetings. Where particular items of business are to be considered, it could be deemed beneficial to draw on the expertise of individuals other than the Core Members (e.g., legal advice, product support)

All Members are required to declare an interest on matters they may be related to or where they may be affected by the decision outcome on both accounts personal and prejudicial. The members declaring an interest must not further participate in any vote or meeting discussion. The Members should make the declaration of interest at the beginning of the meeting, or as soon as they become aware that they have an interest in the matter being discussed.

3. Chair

It is recommended that the Working Group should elect its own Chair.

The Chair may exercise his/her casting vote to resolve a deadlock.

In the absence of the Chair, a Vice Chair will be appointed to fill the role for a single meeting.

4. Quorum

The Quorum for a meeting of the Working Group shall be not less than two of the members with voting rights.

5. Meetings

Meetings will be scheduled quarterly and where possible in the month prior to each meeting of the Finance Resources and Risk Committee. Extra meetings may be held as required to conduct other business of the Working Group (face to face or online) at the discretion of the Chair.

6. Roles and Responsibilities of the Working Group

- a. To prepare an annual business plan and associated budget, taking into consideration the priorities and the needs of the OU Students Shop in any given financial year, for approval by Trustees at their July meeting.
- b. To facilitate and review the financial position of the OU Students Shop including consideration of long-term financial planning.
- c. To monitor the income and expenditure against the approved budget, identifying any variances requiring remedial action.
- d. To review annually the financial procedures and controls of the OU Students Shop, taking into account Charity Commission guidance and any audit recommendations.
- e. To review annually and approve the Warehousing and Distribution agreement with the Open University.
- f. To act as advisors and consultants to the OU Students Shop on business strategy and financial matters.
- g. To establish a pricing policy and review this annually.
- h. To monitor and advise on the new stock selection, as necessary and approve the write-off of the old, obsolete and discontinued items over £500.
- i. To report to the Finance Resources and Risk Committee the write-off of the old, obsolete and discontinued items where the value exceeds £2,500.

- j. To monitor stock levels sufficient to allow fulfilment of orders, but at levels that minimise the risk of obsolescence.
- k. To monitor the implementation of the new stock.
- l. To have an oversight of the development of the new stock and to receive recommendations on the new items to maximize the contribution to the OU Students Association
- m. To have an oversight of the development of the operating systems such as payment processing options and webshop design and hosting.
- n. To determine any other matters referred to the Working Group, as appropriate.
- o. To support the compliance with all legal duties placed upon the OU Students Association
- p. To be responsible for the efficient and effective use of resources, the profitability of the OU Students Shop and safeguarding of its assets.

7. Delegation

Day to day operational management will be delegated to the Head of Business Services (or in his/her absence to the Associate Director – Finance and Compliance and this will include:

- a. Delegated power to authorise orders and meet the expenditure for all works and day to day operations of the Working Group.
- b. Delegated power to contact and liaise with third parties on behalf of the Working Group to obtain information necessary to seek advice, obtain quotations and purchase stock.
- c. Delegated power to agree virements between budget headings up to £1,000, subject to these being reported at the next meeting of the Working Group (including online MS Teams posts).
- d. Delegated power to ensure that adequate insurance cover is obtained.
- e. Delegated power to approve any reasonable and proper travel expenses and other expenses incurred by OUSA staff members and the Working Group on OU Students Shop business.

- f. Delegated power to make stock adjustments, stock recommendations and stock disposal up to £500, subject to these being reported at the next meeting of the Working Group (including online Teams posts).
- g. Delegated power to ensure that adequate stock levels are maintained at all times to ensure fulfilment of orders.
- h. Delegated power to make small price adjustments to reflect price decreases/increases dictated by the suppliers within the parameters of the pricing policy.
- i. Delegated power to monitor the implementation of the new stock and report the outcome of this process to the Working Group.