

Imperial College Union
CSB, RWB and Exec Budgeting Figures – 2013-2014
A paper by the Deputy President (Finance & Services)

Background

- Club, Society & Project budgeting is currently underway.
- We will not know how much subvention we will get from College until after CSP budgeting is over, but the Executive Committee must now decide what the split will be.
- The grant awards and underspends (not including contingency allocations) since 07/08 are shown in the table below, as well as this year's allocation:

| <u>Year</u> | <u>Grant Awarded (£)</u> | <u>Spend (£)</u> | <u>Underspend (£)</u> |
|-------------|--------------------------|------------------|-----------------------|
| 07/08 | 373,100.00 | 331,690.00 | 41,410.00 |
| 08/09 | 386,100.00 | 366,139.61 | 19,960.39 |
| 09/10 | 396,461.50 | 366,919.53 | 29,541.97 |
| 10/11 | 342,706.00 | 332,017.84 | 10,688.16 |
| 11/12 | 359,200.00 | 348,482.71 | 10,717.29 |
| 12/13 | 318,480.00 | | |

- The average underspend over the last four years is £17,726.95.
- There are some issues with the 'true' OSC underspend for 11/12. It is believed to be significantly less than the actual figure, however at time of writing these values are unavailable.
- The 12/13 award was split into £305,580 for CSB, £7,500 for RWB, and £3,600 for Exec.
- It is hard to set any trend to grant spend per year.
- Underspend has been fairly steady since 10/11.
- The grant awarded is underspent every year; with underspend in the 11/12 year being 2.98% of the total award.
- Although it is difficult to say exactly where we stand due to the different ways that Unions report their funding, our clubs are in the top ten of the highest-funded clubs in the country.
- CSP SGI is rising, with clubs making more money than they are spending, as shown in the table below:

| <u>Year</u> | <u>SGI at Year-End (£)</u> |
|-------------|----------------------------|
| 07/08 | 267,092.57 |
| 08/09 | 266,722.83 |
| 09/10 | 558,734.99 |
| 10/11 | 540,916.82 |

It should be noted that the jump from 08/09 to 09/10 is partially explained by £116,513.63 of accounting corrections, as discussed at the 20 July 2010 meeting of the Executive Committee, in the paper titled SGI Overspend Issues; around £75,000 of it is the write-off of the Wye debt. However, the rest of the increase is clubs saving money, and the upward trend is still seen. Clubs continue to generate significant amounts of SGI in 11/12.

In addition there appears to be incorrect information present to Exec last year. The underspend values generated by the finance team appear to differ wildly to the values generated this year for all previous. An underspend value for 11/12 was presented in this paper to Exec last year, which was in fact meaningless due to the timing of this paper and clubs still having in the region of four months to spend grant.

Issues

Involvement in clubs, societies and projects has risen steadily in recent history and has continued to rise even following the funding cuts experienced in 12/13: the level of involvement in the Union through Student Activities is at an all time high, and is the one of the highest of any students union in the country. The scale and scope of these activities bring with it a managerial and administrative impact on the Union, and although the direct funding for Clubs, Societies & Projects has increased over time, the amount of central resources, and in particular staff time, to support these activities has remained static until recently.

This has led to stretched resources for the Union as a whole and in some cases, has adversely affected the student experience, particularly the experience of those students with responsibility for running clubs and societies.

Last year (11/12) it was proposed that resources that are reallocated from the CSP subvention are applied directly to the effective administration of clubs and societies and will cover some of the areas outlined above. A 10% cut equally across CSP/RWB/Exec was made on the basis that this money could be reallocated for CSP support, resulting in a total change of -£35,820, resulting in £322,380 total funding for CSP/RWB/Exec in 11/12.

Given we simply do not know the funding we will receive from college until after the CSB budgeting process it is difficult to set amounts for CSP, RWB and Exec. As such it is suggested that we take the previous years total funding amount and apply it this year.

With the rising costs of activities for CSPs it is suggested that we reallocate grant amounts from RWB and Exec to CSPs. For example, minibus costs will increase this year due to increases in maintenance costs. In addition the money for campaigns will be set aside and removed from the CSB budgeting process and moved to a different budget area.

This re-allocation has been proposed on the basis that the Union is providing funding to Exec that is simply not being used correctly or efficiently. Constituent unions often use this money to fund non-inclusive events, which can be funded by alternative methods. Money provided to RWB has not been utilized well this year by constituent unions, with little to show that it has been well spent.

Constituent unions also receive additional support from their faculties. Also it is much easier for constituent unions to attract sponsorship than small individual clubs.

In summary it is proposed that we reduce the allocations to RWB and Exec to £5,000 and £3,000 respectively on the basis that this money can be much better utilized by CSPs.

In addition it was decided that the RWB funding will be allocated via Exec for 11/12 due to the infancy of the EWB/CWB split.

Proposals

- To award CSB an allocation of £310,480 for budgeting, RWB an allocation of £5,000 and Exec £3,000 for a combined total of £318,480.
- A set of more strict guidelines should be developed for the usage of RWB and Exec funding.
- The campaigns amount of £3,900 will be budgeted elsewhere.

Stefan Nubert
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