

Minutes of the Imperial College Union  
Finance & Risk Committee  
24 October 2013  
Room 6, 5:30pm

**PRESENT:**

Lay Trustee	Colin Kerr – Chair (CK)
Lay Trustee	George Palos (GP)
Officer Trustee	Kieron Creagh (KC)
Student Trustee	Bukki Adedapo(BA)
<b>Permanent Observers</b>	
President	David Goldsmith (DG)
Managing Director	Joseph Cooper (JC)
Head of Finance	Malcolm Martin (MM)
Governance & Administration Coordinator – Clerk	Rebecca Coxhead (RC)

**Observer:** Kevin Lally (KL) – Knox Cropper, Membership Services Manager Philip Power

**Apologies:** Student Trustee Michael Foster

1. **CHAIRS BUSINESS – none**
2. **DECLARATION OF CONFLICT – none**

*The agenda was reordered to consider agenda items 6 & 7 as the next items*

**6. FINAL ACCOUNTS AND AUDIT REPORT**

RECEIVED: The documents were presented by MM and KL

NOTED:

- a) This is the second year that a surplus has been generated.
- b) The accounts have been drawn up in compliance with SORP reporting standards.
  - i. The Charity Commission want to know what total resources have been made available and how were these spent/utilised in line with the Charities objectives.
  - ii. The ‘donated services’ are an estimate based on how College charge other departments.
- a) The net current assets show that the Union is financially sound.
- b) ‘Social Enterprise;’ shows that overheads are being allocated to it which includes rent.
  - i. It is acceptable for Social Enterprise to run at a loss as it is there to carry out its charitable aims and should not be making a profit from members.
- c) In regards to the General Reserves, the Reserves Policy is being discussed later in the agenda however, there is no set amount required by the Charity Commission.
- d) Prior adjustments have been made to the accounts which are what all organisations do when moving in to SORP reporting.
  - i. Another facet to the prior adjustment on the accounts is that depreciation was over estimated on some assets a few years ago and this has now been bought back in to line.
- e) The Finance and Risk Committee were in agreement that the presented audited accounts were acceptable and recommend that the Trustee Board approve these.

**RESOLVED:**

- 1) **To accept the Final Accounts and associated documents and recommend that the Trustee Board approve these.**

## **7. RESERVES POLICY**

RECEIVED: The policy was presented by MM

NOTED:

- a) This policy will be reviewed annually.
- b) The Finance and Risk Committee were asked to accept this policy as a framework.
- c) The increase in income assumption is through the new ħ (H Bar) retail outlet and as such anticipating growth in income.
  - i. The ħ contract has a proviso to stop the agreement and so is low risk.
- d) The Union is in a fortunate position that the College will underpin catastrophic events however the Union needs to show financial health and responsibility.
- e) There is a reputational commitment to hit the surplus every year.
- f) KC suggested that the £320000 held for CSPs is too high and potentially this could be reevaluated.
  - i. The amount held is what the Union needs to continue activity and the amount is as such that the risk is minimised for our immediate and near future members.
- g) KI stated that in his impartial opinion, the paper presented is robust and appropriate for the Union.
- h) The Finance and Risk Committee moved to accept the presented policy and it was passed unanimously.

**RESOLVED:**

- 1) To accept the Reserves Policy (see appendix)**

*At this stage, KL left and the agenda returned to normal order*

## **3. MINUTES OF LAST MEETING – 26 JUNE 2013**

NOTED:

- a) The working relationship with Felix is going well so far.

**RESOLVED:**

- 1) To pass the presented minutes as an accurate record of the meeting.**

## **4. MANAGEMENT ACCOUNTS – AUGUST & SEPTEMBER 2013**

RECEIVED: The accounts were presented by MM

NOTED:

- a) GP was down in August due to stock having to be ordered for busy period.
- b) Stock take inaccuracies have been massively reduced due to in house stock take controls being tightened.
- c) Management Accounts are circulated to Finance and Risk Committee monthly and any comments and queries can be directed towards to MM.

## **5. INTERNAL AUDIT REPORT**

RECEIVED: The paper was presented by MM

NOTED:

- a) The limited assurance is disappointed considering the hard work that has been put in since the last audit.
- b) College have been supportive of the Union in regards to this rating.
- c) It is proving difficult to 'move out of the limited assurance box' and the Finance Team are focusing on moving it forward.

- d) The Finance and Risk Committee noted the report and asked that an update be brought back in February/March meeting.

## **8. RISK REGISTER**

RECEIVED: The paper was presented by JC

NOTED:

- a) The Risk Register needs to be integral to how the Union runs.
- b) The Director of Risk in College meet with the Senior Management Team and the Senior Management Team put together the risks affecting their areas.
- c) The team then meet to look at risks that went across all areas and then these became strategic risks.
- d) Board should be considering risks in all capacities.
- e) The mentality of the Board is currently risk adverse and it is up the Board to choose a change to risk appetite.
  - i. This may change once the Union is in a stronger financial position.
- f) The document is about all risks and not just financial.
- g) The Head of Finance will have responsibility for the document.
- h) The review of the systems is being done in conjunction with college.
- i) The risk types are threats and opportunities.
  - i. 100 is the top score and the Union wants to be aiming for 'low' numbers.
- j) Any feedback as to whether it is felt that things are messing should be feed to JC.
- k) The document will be bought back in April/May.
- l) Commendation was given to those who drew the information together.
- m) The committee agreed that accept the Risk Register.

## **9. HEALTH & SAFETY POLICY**

RECEIVED: The policy was presented by JC

NOTED:

- a) The presented policy is directional and gives the Union more ownership of its activities.
- b) The Health & Safety Committee will report in to the Finance and Risk Committee and is consultative.
- c) The level of training that staff will be put through is being increased.
- d) The current Student Activities Manager is NEBOSH trained.
- e) The Committee agreed to recommend the Policy to be passed at the next meeting of Trustee Board.

**RESOLVED:**

- 1) To recommend the Policy be passed at next meeting of Trustee Board**

## **10. Clubs, Societies & Projects Finance Group (CSPFG) Terms of Reference**

RECEIVED: The paper was presented by PP

NOTED:

- a) The CSPFG will report to Finance and Risk Committee periodically.
- b) Its function is to monitor clubs with both high and low balances.
- c) It was requested that a report of the groups activity be bought back to the next meeting of Finance and Risk Committee.

d) The committee moved to a vote on passing the paper and it was passed unanimously.

**RESOLVED:**

**1) To pass the Clubs, Societies & Projects Finance Group (CSPFG) Terms of Reference**

**ACTION:**

**1. PP to report back on the CSPFG activities to the next meeting of Finance and Risk Committee**

**11. SUMMER BALL REVIEW AND PLAN**

RECEIVED: The paper was presented by JC

**NOTED:**

- a) Thanks were given to the Commercial Services Manager for getting the documents compiled and the committee acknowledged the positive move forward in bringing the early plan and budget to this meeting.
- b) It has been proven that the dinner is not an option that students want.
- c) The satisfaction of attendees to the event was high.
- d) There is the possibility to increase capacity but there are logistics attached to this.
- e) 2 free drinks weren't necessarily perceived as a value incentive.
- f) Ticket sales will determine the variable expenditure and the budget will be reforecast and phased as appropriate.
- g) A progress report will come to the meeting in April but verbal updates will be given at all meetings.
- h) The committee moved to a vote to accept the Review and Plan and it was passed unanimously.

**RESOLVED:**

**1) To accept the Summer Ball 2013 review and 2014 plan.**

**12. CREDIT CARD PROCESS**

RECEIVED: The paper was presented by MM

**NOTED:**

- a) The paper is not proposing a change to the process but to formalise what actually happens in practice in an emergency.
- b) If a situation arises that this will need to be enacted, the correct process is followed retrospectively.
- c) It was highlighted that point 2.1.5 references HST's which needs to be removed.
- d) The committee moved to a vote on passing the process and it was passed unanimously.

**RESOLVED:**

**1) To pass the presented Credit card Process.**

**13. MANAGEMENT OF FINANCES FOR E.QUINOX**

RECEIVED: The paper was presented by PP

**NOTED:**

- a) Ultimately this protects the Union.
- b) College are content with this process.
- c) The committee moved to a vote and the paper was passed unanimously.

**RESOLVED:**

**1) To agree that all the finances from E.quinox are transacted through the EEE Department reflecting the unique nature of the project, their close relationship to the department and the current arrangements.**

#### **14. CLUBS, SOCIETIES AND PROJECTS EVENT MANAGEMENT**

RECEIVED: The paper was presented by PP

NOTED:

- a) The paper gives support and guidance to the Deputy President (Finance & Services) without being demanding on resources.
- b) It was agreed that a report will come back to the Finance and Risk Committee biannually on such events.
- c) The committee moved to a vote and the paper was passed unanimously.

**RESOLVED:**

- 1) To passed the presented paper (see appendix)**

**Meeting closed 7.40pm**

## Appendix A

### Reserves

Further to Imperial College Union registering with the Charity Commission earlier this year and moving from its exempt charity status, there is now a formal legal requirement to publish a Trustees Annual Report and to report our reserves policy in accordance with the Statement of Recommended Practice for Charities better known as the Charity SORP.

#### What is a reserve?

*A reserve is that part of a charity's unrestricted funds that is freely available to spend on any of the charity's purposes. This definition excludes restricted income funds and endowment funds, although holding such funds may influence a charity's reserves policy. Reserves will also normally exclude tangible fixed assets held for the charity's use and amounts designated for essential future spending. CC19 pg6*

The self-generated income (SGI) which the clubs, societies and projects (CSP) create is being regarded as the restricted funds of the Union and as such is excluded from the definition of being freely available to spend on any activity. The SGI is to be used exclusively for clubs, societies and project activities.

The surplus or remaining funds generated from the block grant, social enterprise activity, mini bus hire, events and advertising less all the associated expenditure constitute the unrestricted funds of the Union and as such are freely available to spend on any of the charity's purposes.

It is important to remember that Charity law requires any income received by a charity to be spent within a reasonable period of receipt. Trustees should be able to justify the holding of income as reserves.

#### What level or range of reserves is required?

*There is no single level or even a range of reserves that is right for all charities. Any target set by trustees for the level of reserves to be held should reflect the particular circumstances of the individual charity. CC19 pg9*

When determining a level or range of reserves the following steps are outlined by the Charity Commission for consideration:

#### Step 1 - Understanding the nature of charitable funds held:

Within the balance sheet of the Union fund balances can be classified into two categories being restricted or unrestricted funds.

Restricted funds are voluntary incoming resources (eg gifts, donations, sponsorships) subject to specific trusts which arise either from a donor's wishes or from the terms of an appeal. In giving money, donors may state or imply that the money is only to be used for a particular aspect of the Union's activities. In that case the funds are accounted for separately and may only be used for that purpose. As mentioned earlier, the SGI which the CSP generate is being regarded as the restricted funds of the Union which means it is to be used exclusively for CSP activities. Restricted funds are therefore excluded from any calculation or definition of free reserve. As at 31 July 2013, the amount of CSPs SGI is shown in the balance sheet under Student Activities with a value of £770,768.

Unrestricted funds are those that are to be spent on the Union's charitable purposes at the discretion of the charity trustees. The trustees may decide that part of the unrestricted funds shall be used in the future for a particular purpose and this is known as a "designation".

Designated funds are legally non-binding on the trustees and can therefore be changed at will. The remaining pot of unrestricted funds is sometimes referred to as general unrestricted funds or general funds.

Any funds which are designed are also excluded from the definition of free reserves.

CSP are also funded each year by a (unrestricted) grant allocation of approximately £320k. In the event of a cessation of funding, or if grant funding was significantly reduced it may take a while to reconfigure and obtain alternative funding especially for CSP's with limited capacity to self-generate funds. A reserve of £320k is needed to safeguard the grant funding of CSP's for 12 months. The figure of £320k is based on the current level of funding.

## Step 2 Identifying functional assets

*The Charities SORP specially allows funds held as tangible fixed assets for charity use to be excluded from reserves. This recognises that certain assets will be used operationally and their disposal may adversely impact on the charity's ability to deliver its aims. Where the trustees consider functional fixed assets to be essential to the delivery of the charity's aims, then the value of such assets can be designated and excluded from the calculation of reserves. CC19 p22*

As at the 31 July 2013 the net book value (NBV) of Fixed Assets was recorded as £5.39m with just over £5.0m relating to the three phases of capital development for South Kensington. The remaining balance relates to equipment and mini-buses. Clearly all the fixed assets of the Union are essential to the delivery of our charitable aims and could not be disposed of without adversely impacting our operations. Therefore the NBV of the Fixed Assets less the Capital Grant is set aside a Designated Fund in the balance sheet.

## Step 3 Understanding the financial impact of risk

It is important to consider the financial impact of certain risks, if they occur, on the activities of the Union especially the financial impact of catastrophic events taking place.

At present the Risk Register is actively being reviewed and while some potential events do have financial implications most such events are covered by the College's disaster recovery plan or by insurance. More work is needed to consider the remaining financial exposure to sudden unexpected costs.

## Step 4 Reviewing sources of income

Appendix 1 below shows the operating projection over the next three years. All the various income sources are shown in summary form. Please note that activities of the Summer Ball are included in the 2012/2013 figures.

We have an agreement in place for Block Grant funding until 15/16 giving a greater degree of certainty around this funding stream. However, income for Commercial Services (£1.59m) and Retail (£1.02m) in 2013/14 have a greater degree of volatility and a target reserve of 5% (£131k) is needed to mitigate any potential income shortfall.

Going forward, this aspect of the reserves may need to be increased as there is an anticipation of further growth in volatile income as BEIT Venues extends its offering and advertising incomes grow. Both these areas have greater margins than other aspect of Finance and Risk Committee 24 October 2013

Commercial Services so the impact of a loss of revenue will have a disproportionate effect on the projected surplus for that year.

## Step 5 Impact of future plans and commitments

Union has secured funding until 2016 with College and is committed to making the most of opportunities to improve the student experience. The operating projection in appendix 1 makes certain assumptions about adding additional staff resources. However, additional Commercial income is anticipated to fund the additional cost.

It may be the case however that such resource could be funded out of reserves for an interim period. If such a decision were made, free reserves would then need to be designated. Trustees would need to consider creating a designated fund of £90k for increasing the resource for post graduate and representation research service to summer 2016.

A capital plan has been created covering the period until 2018/19. The first two years have more detail while additional work is needed to flesh out future years. The cost for the first two years to summer 2015 is £508k as shown in appendix 2.

Going forward a decision is to be taken to designate the following year's capital expenditure at the same time the operational budget is approved.

There must be sufficient free reserves to sustain capital expenditure for approximately two years.

## Step 6 Reserve Policy – Wording for Final Accounts

The Union maintains reserves in accordance with the Charity Commission's guidance – they represent the 'free' reserves available to the Union's trustees to unrestrictively spend on the purposes of the Union. They do not include any endowments, restricted or designated funds, nor do they include funds that could only be realised by disposing of fixed assets or stock in trade (or working capital).

In the Trustees' view the Union should maintain 'free' reserves that are capable of:

- ensuring that free funds are available to repair, upgrade or replace facilities and equipment as needed; major developments will have their own designated funds and are thus excluded from 'free' reserves.
- ensuring that staff are able to be paid full entitlements in the event of catastrophic trading failure or reduced support from the College leading to their redundancies.
- ensuring that clubs and representation activities are able to be maintained for a full academic year in the case of reduced support from the College.

#### Conclusion

The Reserve Policy and calculation of the desired free reserve balance needs to be reviewed at least on an annual basis by Trustees to ensure that the target reserve balance is sufficient for the needs of ICU.

Appendix 3 sets out a simple target calculation for just over £1m at this stage, however more work needs to be undertaken to verify the extent to which other factors need to be taken into consideration.  
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Given the fact the general reserve balance as at 31 July are £481,403 there is still a way to go before ICU reaches its desired target free reserve.



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## Appendix 1 – Operating Projection

### Imperial College Union Operating Projection

Summary by Category	Budget 12/13	Actual 12/13	Budget 13/14	Projection 14/15	Projection 15/16
£	£	£	£	£	£
<b>INCOME</b>					
<b>Gross Income</b>					
Block Grant	1,289,000	1,289,000	1,400,000	1,435,000	1,470,875
Commercial Services	1,532,346	1,566,852	1,594,912	1,702,607	1,779,225
Retail	986,325	968,701	1,022,541	1,063,443	1,105,980
Deferred Capital Grants	221,433	221,433	221,433	221,433	221,433
Events (Net)	91,170	82,606	93,800	95,000	100,000
Advertising	25,500	38,409	60,550	70,000	80,000
Membership Services	35,704	32,983	29,824	30,000	32,000
Clubs, Societies & Projects	1,943,000	2,040,779	2,132,500	2,132,500	2,132,500
Other	15,160	32,690	11,310	11,500	11,500
Vans	110,551	108,488	118,788	124,728	130,964
<b>Gross Income Subtotal</b>	<b>6,250,190</b>	<b>6,381,942</b>	<b>6,685,660</b>	<b>6,886,211</b>	<b>7,064,478</b>
<b>Cost of Goods Sold</b>					
Commercial Services	(466,360)	(509,071)	(512,517)	(547,124)	(571,745)
Retail	(584,098)	(565,509)	(602,663)	(626,769)	(651,840)
<b>Gross Income</b>	<b>(1,050,458)</b>	<b>(1,074,580)</b>	<b>(1,115,180)</b>	<b>(1,173,894)</b>	<b>(1,223,585)</b>
<b>TOTAL INCOME</b>	<b>5,199,732</b>	<b>5,307,362</b>	<b>5,570,480</b>	<b>5,712,318</b>	<b>5,840,893</b>
<b>EXPENDITURE</b>					
<b>Staff Costs (Pay)</b>					
Permanent Staff	(1,452,509)	(1,299,049)	(1,522,585)	(1,581,233)	(1,641,618)
Other Staff Types	(241,813)	(282,712)	(289,849)	(295,646)	(301,559)
<b>Staff Costs (Pay)</b>	<b>(1,694,322)</b>	<b>(1,581,761)</b>	<b>(1,812,435)</b>	<b>(1,876,879)</b>	<b>(1,943,177)</b>
<b>Staff Costs (Other)</b>	<b>(30,196)</b>	<b>(60,400)</b>	<b>(36,270)</b>	<b>(42,995)</b>	<b>(48,855)</b>
Sabbatical Officers	(208,278)	(184,688)	(173,133)	(176,596)	(180,127)
Premises & Equipment	(616,859)	(612,584)	(557,377)	(609,099)	(647,372)
Consumables	(31,427)	(32,654)	(29,255)	(29,840)	(30,436)
Administration	(208,127)	(182,682)	(315,152)	(321,455)	(327,884)
Clubs, Societies & Projects	(2,284,130)	(2,379,553)	(2,459,680)	(2,459,680)	(2,459,680)
Commercial Overheads	(59,628)	(59,466)	(62,179)	(63,422)	(64,691)
<b>TOTAL EXPENDITURE</b>	<b>(5,132,966)</b>	<b>(5,093,788)</b>	<b>(5,445,480)</b>	<b>(5,579,966)</b>	<b>(5,702,222)</b>
Contingency	(16,766)	(75,000)	(82,981)		(86,556)
<b>SURPLUS/(DEFICIT)</b>	<b>50,000</b>	<b>213,574</b>	<b>50,000</b>	<b>49,370</b>	<b>52,114</b>

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## Operating Projection Assumptions

Projection 14/15		Projection 15/16	
Assumptions	£		£
<b>INCOME</b>			
<b>Gross Income</b>			
Block Grant	CPI	2.5%	2.5%
Commercial Services	6%		4.5%
Better Function space		12000	
Retail	4%		4%
Deferred Capital	Fixed	0	0
Grants			
Mini Buses	5%		5%
<b>Gross Income Subtotal</b>			
<b>Cost of Goods Sold</b>			
Commercial	same rate as 13/14	-32%	-32%
Services			
Retail	same rate as 13/14	-59%	-59%
<b>Gross Income</b>			
<b>EXPENDITURE</b>			
<b>Staff Costs (Pay)</b>			
Permanent Staff	2%		2%
Representation Research		-28196	
PG Post		-28760	
Other Staff Types	2%		2%
<b>Staff Costs (Other)</b>			
Increase in Training	-6000		-5000
<b>Sabbatical Officers</b>			
	2%		2%
<b>Premises &amp; Equipment</b>			
Mini Bus	175000		-35000
Mini Bus	100000		-20000
Consumables	2%		2%
Administration	2%		2%
Commercial Overheads	2%		2%
Contingency (of volatile income)	3%		3%

### Appendix 2 –

Summary Capital Plan with Impact on Reserves Date	Opening Free Reserves Balance	Surplus/ (Deficit)	Asset Purchase	Depreciation	DCG Release	Closing Free Reserves Balance
31/07/2013			481			
31/07/2014	481	50	(220)	450	(223)	538
31/07/2015	538	50	(288)	482	(221)	561
31/07/2016	561	50	(158)	493	(221)	725
31/07/2017	725	50	(112)	487	(221)	929
31/07/2018	929	50	(75)	487	(221)	1,170
31/07/2019	1,170	50	(23)	455	(221)	1,430

### Appendix 3 – Reserve Calculation as at 31 July 2013 £'000

Grant funding of CSP's for 12 months.	320
Volatile Income Streams	131
Two Year Capital Commitments	508
Plan Interim Service Development	90
Other Commitments	TBC
Financial Risk Exposure	TBC

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Target Reserves at 31/07/2013 1,049

## 6 Yr ICU Capital Plan

Description	Area	Depn Years	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
<b>Membership Services</b>								
7x minibuses (replace pre-2008 vehicles)			Vans (850)			171,500		
4x minibuses (replace pre-2009 vehicles)			Vans (850)			100,000		
2x minibuses (replace pre-2010 vehicles)			Vans (850)			51,000		
2x minibuses (replace pre-2011 vehicles)			Vans (850)			52,000		
20 screens fro SAC computers			Student Activities (901)			3,000		
6 SAC computers			Student Activities (901)			2,710		
Old Club CEP committments			CSP			8,400		
20 screens for SAC computers			Student Activities (901)			3,400		
6 SAC computers			Student Activities (901)			3,000		
<b>Retail</b>								
EPOS		Retail (820)		3			10,000	
Expansion - Equipment		Retail (820)		5			30,000	
Expansion - Redevelopment		Retail (820)		20			10,000	
New Till for current EPOS system		Retail (820)		3			5,000	
Fixtures and Fittings		Retail (820)		3			8,650	
<b>Commercial Services</b>								
Bean to Cup Coffee Machine			Bar CX (816)			2,500		
New Bar EPOS till Hardware			Bar CX (816)			3,500		
Popcorn machine			Bar SK (815)			750		
Espresso based coffee machine			Bar SK (815)			4300		
Waiter paging system			Bar SK (815)			1500		
Metric seating			Bar SK (815)			3000		
FiveSixEight Furniture			Bar SK (815)			3000		
Union bar and metric signage			Bar SK (815)			3000		
Better ambient lighting for foyer and metric			Bar SK (815)			5500		
Kitchen and Bar Office Air Handling / Extraction			Bar SK (815)			7,500		
Union Bar Shutters			Bar SK (815)			3,000		
New Bar EPOS till	Bar SK (815)		3,500	3,500		3,500		
Hardware								
New EPOS System	Bar SK (815)			5		35,000		

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Induction top oven	Catering (830)		7000		
Combi Oven	Catering (830)		7000		
Kitchen extension	Catering (830)	20		25,000	
New Metric non fixed furniture	ENTS (833)	3		4,500	
New Metric Event lighting (additions and upgrade)	ENTS (833)	3	2,000	2,000	2,000
DJ Equipment (Decks, Mixer etc..)	ENTS (833)	3		6,000	
Screen for sports etc... in Metric	ENTS (833)	3		2,000	
New Light in 568 for events	ENTS (833)	3		4,000	
Softening look and feel of Metric	ENTS (833)	5		13,000	
Basic Vocal PA System	BEIT Venues	3		4,000	
New Dining Chairs	BEIT Venues	3		7,500	
Dining Chair Store Room in UDH	BEIT Venues	5		4000	
<b>Central Services</b>					
21" iMac x 2	Marketing		2,500		
Meeting room 6 AV	Central Services (801)		1,500		
New Screens	Central Services (801)			6,050	

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Gym Floor			Central Services (801)				11,000		
<b>Finance</b>									
Additional SAP User Licence			Finance (800)		3			3,100	
<b>Clubs</b>									
Capital Provision (Clubs)	Clubs (900)	1	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Media Equipment			Clubs (900)		5			100,000	
<b>Total Expenditure</b>	<b>220,460</b>		<b>287,500</b>	<b>158,000</b>	<b>111,500</b>	<b>75,000</b>	<b>23,400</b>		
<b>Cumulative Expenditure</b>	<b>507,960</b>		<b>665,960</b>	<b>777,460</b>	<b>852,460</b>	<b>875,860</b>			

## Appendix B

### Risk Management Policy October 2013

#### 1.0 Introduction and Background

- 1.1 This paper seeks to outline the Union's approach to Risk Management, especially the process that the Union undertakes to develop and review the Union's risk register.
- 1.2 The paper also seeks to introduce the Union's Risk Register, and to outline which areas have been highlighted as the Union's key strategic threats that need to be mitigated by Union management and monitored by the Union's Trustees.

#### 2.0 Risk Management?

- 2.1 Risk management is the structured identification and assessment of risks followed by decisions on the appropriate action to be taken in response to each significant risk which has been identified.
- 2.2 It provides a framework within which to assess, evaluate and take action to mitigate risks to Imperial College Union. Risk management facilitates the attainment of organisational goals and helps to ensure the success of the organisation and the protection of its assets. Risk management involves addressing risk and balancing risk versus reward.
- 2.3 The organisational response to risks identified will vary depending on the nature of the risk and its significance in the context of the organisation, and may involve decisions and actions to:
  - 2.3.1 Mitigate the level of risk associated with an activity [for example put controls, safeguards and policies in place]
  - 2.3.2 Transfer the exposure to risk [for example put insurance in place]
  - 2.3.3 Terminate the risk [for example cease or close an activity, outlet or operation]
  - 2.3.4 Tolerate the risk [for example if the risk is considered immaterial or unlikely to occur]
- 2.4 Risk management is widely recognised as a best practice element of corporate governance. An effective risk management programme should integrate existing management processes and provide assurance over the management of key risks. While no programme will eliminate risk it is envisaged that any such programme will assist in the controlled taking of necessary risks and will increase institutional risk awareness.
- 2.5 Risk management is not a rigid methodology; there is no one right way of risk management. Individual organisations need to devise a risk management system appropriate to the risks they face. It is not an increase in bureaucracy; a good risk management system should build on existing practice and integrate with other management processes, and is not an exercise simply to meet regulatory requirements.
- 2.6 Essential principles of effective risk management include:

- 2.6.1 Coverage of all types of risks (including governance, management, quality, reputation and financial, although focusing on the most important risks)
- 2.6.2 Maintenance of a balanced portfolio of risk exposure
- 2.6.3 Adoption of a clearly articulated policy and approach
- 2.6.4 Regular monitoring and review, giving rise to action where appropriate
- 2.6.5 Integration into normal business processes and alignment to the strategic objectives of the organisation
- 2.6.6 Demonstrable commitment of officers, trustees and senior management

### **3.0 Defining Risk**

- 3.1 Risk is an action, inaction or uncertainty that may improve or hinder achievement of organisational objectives, prejudice the security of its assets or affect its sustainability. Risks are inherent in almost every organisational decision. A degree of risk is essential in order to generate growth and development of an organisation, and to foster creativity.
- 3.2 Risks to Imperial College Union might be of the following types, although the list is not intended to be exhaustive, with one example of each provided to illustrate the breadth needed to be covered by the risk management system: -
- 3.3 Risks are commonly measured in terms of their likelihood of occurrence and their potential impact. Imperial College Union measures likelihood and impact scores on a scale of 1 to 10 (where 1 is a very low likelihood and 10 is very high, and where 1 is an insignificant impact and 10 is very serious). A measure of total risk can be ascertained by multiplying the two scores together.

### **4.0 Role of Board of Trustees**

- 4.1 Although the Board of Trustees has delegated the authority for oversight of the adequacy of the Union's risk management policies, procedures, systems and controls to Finance and Risk Committee, the Board of Trustees continues to have a fundamental role to play in the management of risk. Its role is to provide leadership within a framework of prudent and effective controls, which enables risk to be assessed and managed. It fulfils this role by:
  - 4.1.1 Receiving accurate, timely and clear information, with good information flows between the Board of Trustees, members of Finance and Risk Committee and the Union's senior operational management. Management has an obligation to provide such information but members of the Board of Trustees should seek clarification or amplification where necessary
  - 4.1.2 Constructively challenging when developing strategy, scrutinising the performance of management in meeting agreed goals and objectives, and monitoring the reporting of performance. The Board should satisfy itself on the integrity of financial information and that financial controls and systems of risk management are robust and defensible
  - 4.1.3 Setting the tone and influencing the culture of risk management within the Union. This includes:
    - 4.1.3.1 Determining whether the Union is risk taking or risk averse as a whole or on any relevant individual issue
    - 4.1.3.2 Determining the appropriate risk appetite or level of exposure for the Union

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4.1.3.3 Determining what types of risk are acceptable and which are not

4.1.3.4 Setting the standards and expectations of staff with respect to conduct and integrity

4.1.3.5 Approving major decisions affecting the Union's risk profile or exposure

## **5.0 Role of Finance and Risk Committee**

**5.1** Finance and Risk Committee, operating under its delegated authority from the Board of Trustees, has a key role in providing an independent opinion on the effectiveness and adequacy of the Union's systems of risk management and internal controls to ensure maintenance of a sound system to safeguard stakeholders' interests and the organisation's assets, and alerting the Board of Trustees to any emerging risk issues.

**5.2** The Committee achieves its role by reviewing all material controls, including financial, operational and compliance controls and risk management systems by reviewing and/or approving [as annotated below] the following: -

5.2.1 Draft financial statements for preceding year [approved for onward submission to Board of Trustees for approval of signing]

5.2.2 Capital budget for following three financial years [approved]

5.2.3 Budget assumptions, guidelines and process for forthcoming year [approved]

5.2.4 Budget for forthcoming year [approved for onward submission to Board of Trustees for approval]

5.2.5 3 year financial forecast [approved]

5.2.6 Bi-annual Health & Safety Management report [reviewed]

5.2.7 Risk Register [approved]

5.2.8 Annual Risk Management Report and plan of activity to mitigate major risks [approved]

5.2.9 Reserves Policy [approved for onward submission to BoT for approval]

5.2.10 Financial Procedures [approved]

5.2.11 Risk Management Policy [approved]

5.2.12 Health & Safety Policy [approved for onward submission to BoT for approval]

5.2.13 Letter of Representation [approved for onward submission to BoT for approval of signing]

5.2.14 External auditor's Management Letter [approved for onward submission to BoT for approval]

5.2.15 Appointment of external auditors for forthcoming year [approved]

5.2.16 Imperial College internal audit report [approved]

5.2.17 Plan for forthcoming year's audit budget and external auditors' fees [approved]

5.2.18 Internal Audit Policy and Internal Audit Plan [approved]

**5.3** The Committee further achieves its role by evaluating the effectiveness and adequacy of the Union's internal controls by:

5.3.1 Reviewing the previous year and the Union's performance on risk management and internal control

5.3.2 Considering the internal and external risk profile of the coming year and deciding if current internal control arrangements are likely to be effective



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- 5.4** In evaluating the effectiveness and adequacy of the Union's internal controls Finance and Risk Committee will consider the following aspects:

**5.4.1 Control environment**

5.4.1.1 The Union's objectives and its financial and non-financial targets

5.4.1.2 Organisational structure and adequacy of the Union's management

5.4.1.3 Culture, approach, and resources with respect to the management of risk

5.4.1.4 Delegation of authority

5.4.1.5 Public reporting

**5.4.2 On-going identification and evaluation of significant risks**

5.4.2.1 Timely identification and assessment of significant risks

5.4.2.2 Prioritisation of risks and the allocation of resources to address areas of high exposure

**5.4.3 Information and communication**

5.4.3.1 Quality and timeliness of information on significant risks

5.4.3.2 Time it takes for control breakdowns to be recognised or new risks to be identified

**5.4.4 Monitoring and corrective action**

5.4.4.1 Ability of the Union to learn from issues identified

5.4.4.2 Commitment and speed with which corrective actions are implemented

**5.5 Role of Senior Management Team**

5.5.1 The Key roles of the Senior Management Team are to:

5.5.1.1 Implement policies on risk management and internal control

5.5.1.2 Identify and evaluate significant risks faced by the Union for consideration by the Board of Trustees and Finance and Risk Committee

5.5.1.3 Provide adequate information in a timely manner to the Board of Trustees and Finance and Risk Committee on the status of risks and controls

5.5.1.4 Bi-annual review of the Risk Register – Risk Index, assessing progress against risk mitigation action plans

**6.0 Risk management as part of the system of internal control**

- 6.1** Imperial College Union's system of internal control incorporates risk management. This system encompasses a number of elements that together facilitate an effective and efficient operation, enabling the Union to respond to a variety of operational, financial, and commercial risks. These elements include:

**6.1.1 High level risk framework**

This framework comprises the Union's Risk Management Policy and Risk Register and helps to facilitate the identification, assessment and ongoing monitoring of risks significant to the Union. These documents are formally reviewed and on-going emerging risks are added as they arise, and improvement actions monitored regularly

**6.1.2 Strategic planning and budgeting**

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6.1.2.1 The strategic planning and budgeting process agrees objectives, action plans, resources and budgets for each Budget Holder. In particular the organisational Strategic Plan will guide strategic direction, investment and allocation of resources and the annual Budget quantifies the organisational plan for the year in financial terms.

6.1.2.2 Organisational and departmental operating plans detail strategic and operational goals for each year. Progress towards meeting strategic plan objectives is monitored regularly

### **6.1.3 Policies and procedures**

6.1.3.1 Attached to significant risks are a series of policies that underpin the internal control process. The policies are approved by the Board of Trustees or Finance and Risk Committee and implemented and communicated by Senior Management to the Union's management and staff. Written procedures support the policies where appropriate

### **6.1.4 Monitoring and reporting**

6.1.4.1 Comprehensive regular reporting is designed to monitor significant risks and their controls, and decisions to rectify problems are made promptly based on this information

### **6.1.5 Finance and Risk Committee**

6.1.5.1 Finance and Risk Committee meets six times a year, operating under its delegated authority from the Board of Trustees. It has a key role in providing an independent opinion on the effectiveness and adequacy of the Union's systems of risk management and internal controls to ensure maintenance of a sound system to safeguard stakeholders' interests and the organisation's assets, and alerting the Board of Trustees to any emerging risk issues

### **6.1.6 Internal audit programme**

6.1.6.1 Internal audit is an important element of the internal control process. Imperial College Union arranges for an internal audit review each year carried out by the College's Internal Audit team. The results of these reviews are reported to Finance and Risk Committee and Senior Management Team to assist them in forming opinions on the adequacy of management of key risks.

### **6.1.7 External audit**

6.1.7.1 External audit provides feedback to Finance and Risk Committee in the form of the Management Letter which comments on the operation of the internal financial controls reviewed as part of the annual external audit

## **7.0 Risk Register**

- 7.1** Imperial College Union's Risk Register is a key component of the system of internal controls and risk management and helps to facilitate the identification, assessment and on going monitoring of risks significant to the Union.
- 7.2** The Risk Register is formally reviewed annually but emerging risks are added as required, and improvement actions and risk indicators are monitored termly or more frequently as necessary.
- 7.3** The Risk Register is developed using the College's 'Empirical' Risk Management System, which enable s the identification and assessment of risks and the application of Controls and Actions.
- 7.4** The Risk Register evolves as the objectives and obligations of the Union change and develop. The Risk Register does not remain static and is therefore updated regularly and whenever it is necessary. It is formally fully reviewed annually. The Risk Register is updated based on the following:
  - 7.4.1 Annual Review with the College's Director of Risk
  - 7.4.2 Annual Discussion at Trustees Away Days
  - 7.4.3 Quarterly Review at Senior Management Team
  - 7.4.4 Regular Review at Management Team Meetings and Leadership Team meetings
  - 7.4.5 Consideration of the Union's Strategic Plan
  - 7.4.6 Consideration of annual Organisational and Department Operating Plans
  - 7.4.7 Adding and removing risks from the Register as appropriate, and updating risk descriptions for all existing risks
  - 7.4.8 Evaluating the likelihood and impact and corresponding scores for each risk

## **8.0 Review of the Risk Register**

- 8.1** The Head of Finance will review with Risk Owners and monitors progress against risk mitigation action plans in the Risk Register on a regular basis throughout the year, as a minimum termly.
- 8.2** In addition to the review with Risk Owners detailed above in relation to the Union's organisational operational risk profile, as part of the annual review of the Risk Register, the Leadership Team will undertake a review of the strategic risk profile of the Union to ensure all such Risks are included in the Risk Register. This review should have a minimum of a 5 year horizon scanning to ensure assessed strategic risks are included for a sufficient future timeframe to allow management and mitigation of those risks to be planned and implemented effectively.
- 8.3** Resultant from this review, a schedule of strategic risks, both those which are already included in the Risk Register and those which it is proposed to include, and planned risk mitigation actions relating to these risks, will be submitted to the Finance and Risk Committee for discussion, amendment and inclusion of any further strategic risks which Finance and Risk Committee considers should be included in the Risk Register.

## **9.0 Outcomes of a successful Risk Management system and how it benefits Imperial College Union**

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**9.1** Risk Management is an extension of good management practice and maintaining focus on key areas of concern or threat. Potential benefits include:

- 9.1.1 Increased focus on the achievement of specific strategies - risk management will highlight areas in which objectives are unclear or fail to link with the Union's corporate strategy
- 9.1.2 Improved organisational awareness of risk and control and of the benefits of safe risk-taking
- 9.1.3 Empowerment of individuals - through placing their activities in the context of strategy and risk, designating them as risk owners and by eliminating unnecessary controls
- 9.1.4 Improved compliance with external requirements and internal policy
- 9.1.5 Increased assurance that there are no significant unexpected events
- 9.1.6 Risk mitigation – reducing the potential impact of risk on the organisation
- 9.1.7 Competitive advantage – using risk management to take better informed decisions to generate performance improvement
- 9.1.8 Risk management provides the ability to systematically identify, assess and seize opportunities in ways that are not necessarily possible without a system of risk management being in place
- 9.1.9 Projects and initiatives will be better managed
- 9.1.10 Unnecessary opportunistic risks will be avoided, balanced by the taking of realistic opportunities
- 9.1.11 Demonstrating successful risk management to stakeholders also helps to improve performance as the consequent increase in the organisation's credibility will encourage greater financial investment by stakeholders in Imperial College Union

## **10.0 Annual Risk Management Review Timetable**

Annual processes detailed in this Risk Management Policy are shown below, together with months for completion:

Review of Risk Register by Risk Owners and Head of Finance	May to July
Strategic Risk profile review by Leadership Team	Oct to Dec
Bi-annual Review of Risk Register – Risk Index Update by Senior Management Team	November and April
Review of Risk Management Policy by Head of Finance	(Year Policy review due only) October
Approval of Risk Management Policy by Finance and Risk Committee	(Year Policy review due only) Feb
Approval of Schedule of Strategic Risks by Finance and Risk	February
Approval of Annual Risk Management Report and plan of activity to mitigate major risks by Finance and Risk Committee	May

## **Appendix C**

### **HEALTH AND SAFETY POLICY - DRAFT**

#### **1.0 Policy statement**

- 1.1 Imperial College Union is committed to ensuring the health, safety and welfare of its members, staff, customers, suppliers, visitors and all others who may be affected by its activities.
- 1.2 Imperial College Union recognises that good management of health, safety and welfare is essential to the success of the organisation and is a sign of a well-managed organisation.
- 1.3 Imperial College Union is committed to ensuring that procedures are in place to identify hazards, assess risk and set objectives to improve the management of health, safety and welfare.
- 1.4 Imperial College Union acknowledges its duty to ensure that all relevant legislation regarding health, safety and welfare is adhered to and that resources are made available to ensure health, safety and welfare.
- 1.5 Imperial College Union is committed to developing a positive safety culture, based on the involvement of staff in health and safety management. Imperial College Union will therefore use consultative forums and mechanisms to involve staff in health and safety management, and will endeavour to provide relevant training to all staff and students.
- 1.6 Imperial College Union commits to reviewing this policy at least every 2 years, or as and when necessary, with approval for the policy to take place at the Board of Trustees.

#### **2.0 Introduction**

- 2.1 This document details the allocation of health, safety and welfare responsibilities, the particular arrangements that are in place to meet the policy statement (see 1.0 above), the measures in place to monitor implementation of the policy and the system for reviewing the policy.
- 2.2 This document details Union-wide policies, procedures and systems to ensure the management of health and safety. Individual Departments, teams, functions, areas, etc. within the Union may introduce more detailed policies and systems covering specific areas.
- 2.3 Imperial College Union is an organisation within its own right. However, the Union is an integral part of Imperial College and could not exist without the College.
- 2.4 As such, the Union and College will work in partnership to ensure that adequate measures are in place to ensure health, safety and welfare within the Union.
- 2.5 The College has its own Health and Safety Policy and a Health & Safety department.

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- 2.6 The Union is committed to working with the College Health & Safety Unit and where appropriate, ensuring that the Union's Health and Safety Policy is in accordance with the College Health and Safety Policy.
- 2.7 Staff of the Union should note that they are employees of Imperial College Union and as such must adhere to the Union's Health and Safety Policy, the College Health and Safety Policy and the Health and Safety Executive Legislation first and foremost. Staff should also note that breaches of the health and safety policy will be treated with the utmost seriousness and could be deemed gross misconduct.

### **3.0 Management responsibilities - people, places, equipment, tasks**

- 3.1 As part of the College's charitable status, trustees govern the Union; the trustees of Imperial College Union are defined in the Union Constitution. The trustees are responsible for ensuring that the Union complies with all relevant legislation, including health and safety legislation.
- 3.2 The President of the Union shall act as the "Director" of Safety and as such will have lead responsibility amongst the Sabbatical team to ensure that this policy is implemented and that health and safety legislation is complied with.
- 3.3 The trustees shall delegate many of their responsibilities to staff members, through the line management structure of the Union.

### **4.0 Department Safety Officer**

- 4.1 The Department Safety Officer (DSO) for the Union shall be appointed by the Managing Director.
- 4.2 The DSO shall be responsible for:
  - 4.2.1 Implementing the Policy Statement and the details of this policy as shown below.
  - 4.2.2 Reporting on a regular basis to the Board of Trustees or relevant Sub Committees about health and safety issues.
  - 4.2.3 Providing accident statistics.
  - 4.2.4 Remaining up-to-date with relevant legislation.
  - 4.2.5 Conducting health and safety inspections on a regular basis.
  - 4.2.6 Providing leadership on health and safety issues.
  - 4.2.7 Liaising with College and external staff to ensure that all relevant policies and procedures are complied with
- 4.3 Responsibility for ensuring the health, safety and welfare of equipment (electrical, mechanical or otherwise) lies with the DSO.
- 4.4 Responsibility for ensuring the health, safety and welfare of tasks (electrical, mechanical or otherwise) lies with the DSO in which the task takes place. For example, responsibility for ensuring that the lifting of beer barrels in the Venue is conducted safely lies with the DSO. This responsibility may then be delegated down through the line management structure.
- 4.5 Responsibility for ensuring the health, safety and welfare of all visitors lies with the DSO who is responsible for the building in which the visitor is present.

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- 4.6 Responsibility for ensuring the health, safety and welfare of all suppliers lies with the DSO that the supplier is dealing with.

## **5.0 Delegation of Responsibilities by the Department Safety Officer**

- 5.1 The DSO delegates responsibility for implementation of the Health and Safety Policy to the relevant Senior Managers who shall be responsible for:

- 5.1.1 The implementation of the policy within their department.
- 5.1.2 Providing leadership on health and safety issues and supervising staff to ensure that the Health and Safety Policy is complied with.
- 5.1.3 Promoting responsible attitudes towards health and safety.
- 5.1.4 Identifying and reporting risks
- 5.1.5 Conducting health and safety inspections on a regular basis.

- 5.2 Responsibility for ensuring the health, safety and welfare of people (staff, customers, suppliers, visitors and others who may be affected by its activities) lies with specific managers and supervisors, as shown below.

- 5.3 Responsibility for staff follows the line management structure of the Union.

- 5.4 Responsibility for ensuring the health, safety and welfare of all students involved in Union activities on a voluntary basis lies with the relevant manager or supervisor.

- 5.5 Responsibility for ensuring the health, safety and welfare of places (buildings, offices and each physical area of the Union) lies with a specific Manager, as shown below:

- 5.5.1 The Retail outlets, including the office, stockroom and refuse area shall be the responsibility of the Retail Manager
- 5.5.2 The Union Bars, including the outdoor seating area and the refuse area shall be the responsibility of the Commercial Services Manager
- 5.5.3 All office areas shall be the responsibility of the Central Services Manager
- 5.5.4 All space occupied by student groups, including storage and the Union Concert hall, shall be the responsibility of the Membership Services Manager
- 5.5.5 All shared spaces, including stairwells, activities spaces and the Union Gym, Dining Hall and meeting rooms shall be the responsibility of the Central Services Manager.

- 5.6 The above responsibilities may be amended in writing by the DSO and temporary reallocations will be made in event of a vacancy in a role.

## **6.0 Delegation of responsibilities by Department Heads**

- 6.1 Department Heads delegate certain tasks within their departments to staff who have supervisory responsibilities. Line Managers and Supervisors shall be responsible for:

- 6.1.1 The implementation of the policy within their sphere of influence.
- 6.1.2 Providing leadership on health and safety issues for the staff they manage or supervise.
- 6.1.3 Ensuring that staff they manage/supervise are aware of the Union's Health and Safety Policy.

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- 6.1.4 Ensuring that staff they manage or supervise report anything that may impact upon the safety of the working environment.

## **7.0 Collective responsibilities**

- 7.1 Every staff member (permanent and casual) has certain responsibilities under the Health and Safety Policy. All staff shall:
  - 7.1.1 Make themselves aware of the Union's Health and Safety Policy and adhere to it at all times when at work.
  - 7.1.2 Record any accidents or breaches of the Health and Safety Policy immediately, using the appropriate forms.
  - 7.1.3 Seek the advice of their line manager regarding any medical conditions or other conditions that may affect there or others' health, safety or welfare.
  - 7.1.4 Do everything within their power to ensure a safe and healthy working environment.
  - 7.1.5 Correctly utilise any Personal Protective Equipment (PPE) that is supplied for the purposes of safely carrying out a specific task.
  - 7.1.6 Protect themselves and others and not interfere or misuse any equipment provided for health and safety purposes
- 7.2 Responsibility for ensuring the health, safety and welfare of places (buildings, offices and each physical area of the Union) and responsibility for ensuring the health, safety and welfare of equipment (electrical, mechanical or otherwise) lies with the Head of Department within that specific area.
- 7.3 All equipment relating to the Membership Services Department, including minibuses, sports equipment, societies equipment, any space used by student groups is the responsibility of the Membership Services Manager.
- 7.4 Responsibility for ensuring the health, safety and welfare of tasks (electrical, mechanical or otherwise) lies with the Head of the Department in which the task takes place. For example, responsibility for ensuring that the lifting of beer barrels in the bars is conducted safely lies with the Commercial Services Manager. Responsibility may be delegated down through the line management structure.

## **8.0 Training**

- 8.1 The Union commits to ensuring that staff members receive appropriate training in Health and Safety to ensure that they are able to fulfil their responsibilities under the Health and Safety policy.
- 8.2 The Union has determined minimum standards for Health and Safety training to ensure that all staff can fulfil their responsibilities. Attendance on these courses is compulsory for all staff. The Union will give staff time off to attend the following courses, and will pay any expenses necessary to provide the following training:
  - 8.2.1 Specific roles will be required to undertake the College's NEBOSH course within one year of taking up the role. The will include, but shall not be limited to:
    - 8.2.1.1 Managing Director
    - 8.2.1.2 Membership Services Manager
    - 8.2.1.3 Commercial Services Manager



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- 8.2.1.4 Central Services Manager
- 8.2.1.5 Student Activities Manager

8.2.2 All members of management team will achieve a recognised Health and Safety qualification (CIEH Level 3 Award) within 1 year of becoming a manager at Imperial College Union.

8.2.3 Staff members with supervisory responsibility will achieve a recognised one-day (CIEG Level 2 Award) Health and Safety course within 6 months of becoming a supervisor.

8.2.4 All staff members will attend a Health and Safety induction course within 1 month of taking up a position with Imperial College Union, covering as a minimum:

- 8.2.4.1 An outline of the Health and Safety Policy, including information about the Health and Safety Committee and their representatives on the Committee.

- 8.2.4.2 Safe manual handling.

- 8.2.4.3 Safe Visual Display Unit (VDU) use.

- 8.2.4.4 First aid procedures for the Union

- 8.2.4.5 Good housekeeping.

- 8.2.4.6 Fire procedures for the Union, including location of fire extinguishers, fire blankets, fire exits and fire buttons.

- 8.2.4.7 Job specific Health and Safety procedures and requirements

- 8.2.4.8 The Control of Substances Hazardous to Health (COSHH) regulations.

8.3 In addition, all staff working within the Catering department will receive training in food hygiene and other legislation related to the preparation, storage and provision of food.

8.4 All staff working within the Commercial Services Department will receive training in:

- 8.4.1 The Control of Substances Hazardous to Health (COSHH) regulations

- 8.4.2 Alcohol and drug awareness.

- 8.4.3 Specific regulations in place to ensure the Health and Safety of staff, customers and suppliers within licensed premises.

8.5 All staff working within the Retail Department will receive training in:

- 8.5.1 The Control of Substances Hazardous to Health (COSHH) regulations.

- 8.5.2 Basic food hygiene.

8.6 The Union recognises that there are many Health and Safety qualifications available and acknowledges that achieving such qualifications provides development opportunities to our staff members and shows commitment to Health and Safety by the Union. Where relevant and in accordance with budgetary requirements, the Union will pay for staff to attain Health and Safety qualifications. The Union will also carry out training for its members who volunteer within the Union.

## **9.0 Health & Safety Committee**

9.1 The Union shall have a Health and Safety Committee, which shall report on its activities to the Union's Finance and Risk Committee

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- 9.2 The committee shall have the following responsibilities:
  - 9.2.1 Reviewing the Health and Safety Policy.
  - 9.2.2 Monitoring the Health and Safety Policy.
  - 9.2.3 Implementing the Health and Safety Policy.
  - 9.2.4 Drawing up a strategic plan for improving the management of Health and Safety.
  - 9.2.5 Receiving reports on accidents, incidents, breaches of the Health and Safety policy, etc.
  - 9.2.6 Compiling and reviewing Health and Safety statistics, including the number of days staff have taken off due to accidents, incidents and breaches of the policy.
  - 9.2.7 Consulting with staff and the College on Health and Safety issues.
  - 9.2.8 Reviewing Risk Assessments and Method Statements on a cyclical basis
  
- 9.3 The following people shall be members of the Committee:
  - 9.3.1 5 staff representatives, who shall not be members of the Senior Management Team, one to from each of the Commercial Services Department, the Retail Department, Membership Services, Finance and Central Services Departments. Staff representatives shall serve on the committee for a period of 2 years. The Health and Safety Committee shall determine other conditions of service.
  - 9.3.2 One Trustee (Chair)
  - 9.3.3 One Trustee elected by and from the Board of Trustees
  - 9.3.4 Designated Safety Officer (Secretary)
  - 9.3.5 Student Activities Manager
  - 9.3.6 Commercial Services Manager
  - 9.3.7 One Representative from Trade Union if required
  - 9.3.8 A Representative from the College's Safety Office
  - 9.3.9 A Representative from the College's Facilities Management Department
  - 9.3.10 Two Representatives elected by and from Union Council
  
- 9.4 The Health and Safety Committee shall meet at least every 4 months.

## **10.0 Reporting of Accidents, Near-misses and Work-related ill-health**

- 10.1 Health and Safety legislation requires employees to inform their employer about anything related to work that has caused, or had the potential to cause, harm to them or others. The monitoring of such reports is an important aspect of Health and Safety management. The reporting and investigation procedure is in place so that accidents or work-related ill-health problems can be recorded and that the Health and Safety Committee can consider action required to prevent recurrence.
  
- 10.2 Definitions
  - 10.2.1 Accidents are defined as "unplanned and uncontrolled events that led to injury to persons, property damage or some other loss".

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- 10.2.2 Near misses are defined as “unplanned and uncontrolled events that could have led to injury to persons, property damage or some other loss”.
- 10.2.3 Work-related ill-health is defined as "any illness, disability, or other physical problem which reduces, either temporarily or permanently, the functioning of an individual and which has been caused, in whole or part, by the working conditions of that individual".
- 10.3 Certain types of injury and disease caused by work activities or the work environment and certain dangerous occurrences with the potential to cause injury must be reported to the Health and Safety Executive (HSE). The College Safety Office does this when necessary.
- 10.4 Department managers are required to ensure that:
  - 10.4.1 Any accident occurring during Union activities under their control or involving Union premises and facilities assigned to them, is investigated and reported to the College’s reporting system, SALUS.
  - 10.4.2 Any case of ill-health which is, or is thought to be, caused or aggravated by Union work activities or the work environment controlled by them is investigated and reported via SALUS
  - 10.4.3 All staff and students for whom they are responsible are aware of the SALUS reporting system and of their duty to use it.
- 10.5 SALUS reports must be completed for all accidents or ‘near-misses’, however minor. The form should be completed by the injured person or person who witnessed the accident/near-miss. The DSO must add his/her comments to the report as required
- 10.6 The Safety Officer will monitor all accidents and incidents of ill health, and provide regular reports to the Health and Safety Committee.
- 10.7 Major incidents should be notified to local safety staff and the Safety Department by the quickest possible means – normally telephone (020 7594 9423 / 9420 / 9569).
- 10.8 The Departmental Safety Officer will undertake an initial investigation and record their findings in the system. This should be proportional to the severity of the incident i.e. minor incidents will require minimal follow-up.
- 10.9 Following review, there is another opportunity to generate a pdf report and this can be forwarded to the person reporting the incident for their information.
- 10.10 For serious incidents, a full investigation may be required and this will be instigated by the Safety Department. This is only likely to apply to a limited proportion of accidents reported in the College. Findings from an investigation at this level will also be recorded in the system.
- 10.11 The Safety Department is responsible for reporting all ‘reportable’ incidents to the relevant enforcing authority – it is not the responsibility of the department or the individual to carry out this function. The aforementioned summary of reportable injuries, diseases and dangerous occurrences is therefore for information only.

## **11.0 Communication**

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- 11.1 Communication of the Health and Safety Policy is integral to ensuring its implementation. Training staff forms part of the communication strategy and is detailed above (see 4.0). This section details other mechanisms for communicating the policy and its constituent parts.
- 11.2 A copy of this policy will be available to staff on the Union's staff web pages, and will be included in their induction programme. A summary of the policy will be distributed to all student staff as part of their staff handbook. Information will also be included within the Union's volunteering handbooks and training.
- 11.3 The Health and Safety Committee, as detailed above (see 5.0), includes staff representatives who shall assist in communicating the policy.
- 11.4 Health and Safety shall be included as a standing agenda item for the following meetings, enabling two-way communication:
  - 11.4.1 Senior Management Team (termly)
  - 11.4.2 Department Meetings (monthly)
  - 11.4.3 Leadership Team (termly)
  - 11.4.4 Regular discussions to take place as part of the PDR process.
  - 11.4.5 Finance and Risk Subcommittee (Annually)
- 11.5 Health and Safety signage is covered by legislation and includes fire extinguishers, fire points, fire exits, first aid points and safety management. The Union will ensure that appropriate signage is in place.
- 11.6 The Union will develop a 3-year Health and Safety plan which will detail steps to be taken to improve the management of Health and Safety
- 11.7 The College's Safety Office web site goes into much more detail about Health and Safety matters than is practical in this Policy. Therefore, the Union encourages staff to use the College Safety Office web-site <http://www3.imperial.ac.uk/safety> on a regular basis and to read the various policy documents and guidance notes contained on the site.
- 11.8 The Union will designate a Health and Safety notice board for staff in each of its buildings, containing information about the Health and Safety Committee, staff Health and Safety representatives, Health and Safety training, first aiders and the Health and Safety Policy.

## **12.0 Auditing & Risk Assessments**

- 12.1 An integral part of Health and Safety management is conducting regular risk assessments, covering physical objects (e.g. buildings, sports equipment, etc.), people and tasks (e.g. using a pizza oven, putting up staging, etc.). The aim of risk assessments is to identify hazards, compile an action plan to minimise the risk of these hazards occurring and identify training needs for staff
- 12.2 The Health and Safety Committee will develop and maintain a list of risk assessments that the Union will maintain on a consistent basis and audit the existence and quality of these risk assessments on a rolling, annual basis.
- 12.3 Regular audits will take place by the Department Safety Officer, who will report to Senior Management Team on the completion of Risk Assessments, Safety Inspections, Panic Alarm Testing and Fire Evacuations

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### **13.0 Fire safety**

- 13.1 The primary purpose of fire safety procedures is the protection of people. Protection of property will normally follow on from such procedures, but is of secondary performance.
- 13.2 A key aspect of fire safety is the completion of fire risk assessments. These should be reviewed, in consultation with College's Fire Officers, on an annual basis by the relevant manager.
- 13.3 Responsibility for the implementation of fire safety procedures lies with the relevant managers as outlined in section 5.5 above.
- 13.4 The Union's premises are covered by the College's fire alarm system. These will be tested regularly by the College's Fire Safety team.
- 13.5 Fire Safety Coordinators shall be appointed by the Managing Director to support them in the implementation of the College Fire Safety Policy. This will normally be by the Department Safety Officer.
- 13.6 Working closely with the College Chief Fire Officer their main duties are to:
  - 13.6.1 promote a positive fire safety culture in their area.
  - 13.6.2 ensure sufficient provision of Fire Wardens.
  - 13.6.3 develop a Departmental Emergency Evacuation Plan.
  - 13.6.4 prepare Personal Emergency Evacuation Plans (PEEPs) when required.
  - 13.6.5 arrange fire drills.
  - 13.6.6 ensure that staff within the Department/ Division receive Fire Safety training.
- 13.7 Fire Wardens will be appointed by the Managing Director to assist with the implementation of the College Fire Safety Policy. Fire Wardens need to have local knowledge of the fire risks in their work area.
- 13.8 Their main duties are to:
  - 13.8.1 alert their Fire Safety Coordinator to any defects in fire precautions in their area.
  - 13.8.2 participate in fire drills and report any problems to their Fire Safety Coordinator.
  - 13.8.3 assist the Emergency Response Team during the evacuation of their building by:
    - 13.8.3.1 Guiding people to the Assembly Points.
    - 13.8.3.2 Helping to prevent re-entry until the building is deemed safe for re-occupation.
- 13.9 During an evacuation Fire Wardens are not to put themselves at any risk. They should evacuate the building along with the other occupants and then report to the Emergency Control Point to pass on any information they may have about the incident or factors that could affect the incident and to provide any other assistance as required.

### **14.0 First Aid**

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- 14.1 Under the Health and Safety (First Aid) Regulations 1981, the Union is required to ensure that there is adequate first aid provision on its premises. The regulations refer only to provision for employees, however the Union is committed to ensuring adequate provision for the large number of customers in its commercial outlets and visitors to other areas of the Union. This section details the provision of first aid equipment, first aiders and dissemination of first aid information to other staff.
- 14.2 Each building or area of the Union must contain at least one first aid box, placed in a clearly identified and accessible location. First aid boxes should protect their contents from dust and damp and be clearly identified with a white cross on a green background. The location and contents of first aid boxes is shown in Appendix XXX.
- 14.3 The manager responsible for the area in which a first aid box is located is responsible for periodically (at least monthly) checking the contents of each first aid box.
- 14.4 Each vehicle owned or leased by the Union will also contain a first aid kit, the contents of which should be as detailed in Appendix
- 14.5 Department Heads must ensure that an adequate number of his/her staff are trained as first aiders, in order to provide cover during normal working hours. Although the Health and Safety Executive guidance is only for one first aider for every 50 employees, the Union's policy is to endeavour to have at least one first aider present in each building under its control during normal working hours.
- 14.6 The current list of first aiders will be reviewed annually by the Health and Safety Committee
- 14.7 First aid information will be communicated to all staff through distribution of this policy, Health and Safety induction and clear signage.
- 14.8 All accidents, of whatever severity, must be reported, either by the injured person, his/her supervisor or the first aider, via a SALUS report.

## **15.0 Display Screen Equipment**

- 15.1 Legislation covering the use of display screen equipment was introduced in 1993, namely the Health and Safety (Display Screen Equipment) Regulations 1992. The aim of the Regulations is to ensure that employers and employees take appropriate action to control risks associated with the use of such equipment, the most familiar of which is the personal computer.
- 15.2 The principal risks relate to musculoskeletal problems, visual fatigue and mental stress. Long hours of intense work with badly designed equipment can cause one or more of these problems in a minority of users. Problems such as eyestrain are short-term in nature and unlikely to have continuing consequences for long after the work has ceased. However, musculoskeletal problems caused by rapidly repeated keying or bad posture, for example, can have long-term effects and may be difficult to rectify.
- 15.3 A workstation is defined as the display screen equipment itself, the accompanying disk drive, printer, desk, chair, document holder, telephone, etc. and the immediate work environment. Workstations and work practices

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must be analysed to assess the risks involved with the work. Line Managers are responsible for ensuring that these assessments are carried out.

- 15.4 Those members of staff who use display screen equipment habitually for a considerable portion of their working time and have little or no discretion over its use are legally defined as "Users". Such Users are entitled to request a free eye test under the College's Computer Health and Safety Policy

## **16.0 Manual handling**

- 16.1 Work related musculoskeletal injuries from manual handling could affect all staff. Manual handling includes lifting, lowering, pushing, pulling, supporting, carrying and moving loads by hand or by bodily force. The Manual Handling Operations Regulations 1992 apply to these activities. The Manual Handling Operations Regulations 1992 require that hazardous manual handling be avoided whenever it is reasonably practicable to do so. Where not possible, the regulations require a process of risk assessment and the introduction of measures to reduce the risk of injury to the lowest practicable level.
- 16.2 In order to reduce the risk of injury from manual handling, department heads must:
  - 16.2.1 Identify manual handling operations that present a risk of injury.
  - 16.2.2 Where practicable avoid, manual handling operations that present a risk of injury.
  - 16.2.3 Fully investigate incidents that result in musculoskeletal injury to staff and review risk assessments and systems of work in the light of such incidents.
  - 16.2.4 Ensure that job descriptions sent to applicants for employment includes details of manual handling tasks where these are part of the requirement of the post. The applicant should then decide whether s/he is suitable for the post and/or whether any adjustments may be required.
  - 16.2.5 Ensure that staff in post continues to be suitable for the work and that staff are not pressurised by supervisors or systems of work into undertaking operations (by weight and/or rate of work) that are beyond their safe capability.
  - 16.2.6 Provide suitable information, training and supervision for all employees and volunteers engaged in manual handling tasks and that such training is recorded, monitored, evaluated and reviewed.
- 16.3 In order to reduce the risk of injury from manual handling, staff must:
  - 16.3.1 Use any mechanical aids that have been provided for their use and for which they have been trained. Any faults with mechanical aids should be immediately reported to their manager.
  - 16.3.2 Inform their manager if they are unable to undertake their normal manual handling duties because of injury, illness or any other condition.
  - 16.3.3 Not undertake any manual handling operation that they believe is beyond their capability.
  - 16.3.4 Report any unsafe systems of work to their manager.
- 16.4 Guidance notes for staff on safe manual handling are available to all staff; Department Heads should ensure that these are displayed on staff notice boards.

## **17.0 Electrical Safety**

- 17.1 The risk of serious injury from electrical accidents is greater than from most other types of accidents. Electric shock causes the majority of electrical accidents, but many others result in burns from arcing or fire. Shock from a voltage as low as 50 volts A.C. or 120 D.C. is potentially lethal.
- 17.2 About a quarter of all electrical accidents reported to the Health and Safety Executive involve portable appliances. Accidents may also be caused by faulty flexible cables, extension leads, plugs or sockets as well as defective electrical equipment. A programme of regular inspection and/or testing considerably reduces the risk.
- 17.3 Purchasing the right equipment for the job is essential and ensuring that new equipment conforms to the appropriate British Standard. Prior to use, new equipment should be checked by a qualified electrician
- 17.4 When using electrical equipment employees/volunteers must:
  - 17.4.1 Comply with the manufacturer's instructions.
  - 17.4.2 Take care not to overload circuit
  - 17.4.3 Avoid the use of wall-mounted adapters because of the danger of damage to wall sockets caused by the weight of a "tree" of adapter(s) and plugs. If an adapter is required, a fused and switched strip adapter should be obtained
  - 17.4.4 Prevent trailing cables from becoming a hazard; they should be tucked away or lifted above walkways but, if a cable lying across a walkway is unavoidable, the trip hazard should be reduced by the use of a cable cover
  - 17.4.5 Take care to avoid obstructing any air grill or fan outlet on equipment
  - 17.4.6 Switch off all equipment at the appliance itself and at the wall socket at the end of the working day (unless designed to be left on permanently).
- 17.5 A qualified electrician will test all appropriate electrical equipment at least every 24 months. After a successful test the piece of equipment is fitted with a label stating the date of the test and the date of the next test due.
- 17.6 Employees should also conduct a visual check of any electrical equipment that they are using. The check should be for damaged cables, sockets, wiring etc. For office equipment such as computers, faxes, etc. visual checks should be conducted weekly; for more hazardous equipment such as catering equipment the checks should be conducted daily.
- 17.7 The procedures above apply equally to personal electrical equipment that an employee brings into work, for example a stereo.

## **18.0 Control of Substances Hazardous to Health (COSHH)**

- 18.1 Substances hazardous to health are present in many products used on a daily basis at work for example bleach, cooking oil, paint, etc. Some examples of the effects of hazardous substances include
  - 18.1.1 Skin irritation, dermatitis or even skin cancer from frequent contact with oils
  - 18.1.2 Asthma from sensitivity to substances contained in paints or adhesives
  - 18.1.3 Being overcome by toxic fumes



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- 18.1.4 Poisoning by drinking toxic liquids accidentally
- 18.1.5 Cancer from exposure to carcinogenic substances at work
- 18.1.6 Infection from bacteria and other micro-organisms
- 18.2 The Control of Substances Hazardous to Health Regulations (COSHH) provide a legal framework to protect people against health risks from hazardous substances used at work. For the purposes of COSHH, substances hazardous to health are:
  - 18.2.1 Substances or mixtures of substances classified as dangerous to health under the current CHIP<sup>1</sup> Regulations. These can be identified by their warning label and the supplier must provide a safety data sheet for them.
  - 18.2.2 Substances with occupational exposure limits
  - 18.2.3 Biological agents, if they are directly connected with the work or if exposure is incidental to it.
  - 18.2.4 Any type of dust in a substantial concentration
  - 18.2.5 Any other substance which has comparable hazards to people's health, but which, for technical reasons may not be specifically covered by CHIP
- 18.3 Hazardous substances that have been brought into the Union will normally include a warning label and information about safety precautions that should be taken when using the substance. The Safety Data Sheet for such products should be obtained from the supplier of the substance, by the manager of the area in which the substance is being used, and the guidance on the sheet should be followed.
- 18.4 Department Heads must identify the presence of substances covered by COSHH. As mentioned above, most will already be clearly labelled. Once identified, the risk associated with the use of the product must be assessed and any necessary precautions identified and implemented. The appropriate manager must monitor the implementation of any precautions; for example, the Food and Beverage Manager will ensure that catering staff comply with systems for the use/disposal of cooking oil.
- 18.5 All chemicals must be kept in locked cupboards or rooms.
- 18.6 Gas cylinders for beer pumps must be kept in a locked cage, which must be firmly attached to a brick wall, outside the relevant building and should be sheltered from intense sunlight.
- 18.7 CO2 monitors will be installed in all areas where gas cylinders are stored, for example cellars in licensed premises.

## **19.0 Food safety**

- 19.1 It is the responsibility of the Commercial Manager to ensure that the Food Safety Policy is adhered to. Responsibility for implementing the Food Safety Policy on a daily basis is delegated to the Venue Manager.
- 19.2 All permanent staff members who work with food must achieve the Basic Food Hygiene Certificate within two months of starting employment with the Union.

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<sup>1</sup> Chemicals (Hazard Information and Packaging for Supply) Regulations

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- 19.3 All student staff members who work with food will receive training in food hygiene.

## **20.0 Entertainment Department**

- 20.1 Glass presents a hazard to staff and customers within licensed areas. Managers will also ensure that empty glasses and bottles are collected on a regular basis and that broken glass is cleared away as quickly as possible.
- 20.2 Staff in the Entertainment Department will often work late at night. Staff members who work late at night will be asked to complete a Health Assessment, which will be discussed with their line manager. If the assessment demonstrates any cause for concern, the employee will be asked to see an occupational health doctor to discuss the concerns and identify solutions.
- 20.3 The Union is committed to protecting its staff from violent or abusive customers. The Union recognises that customers are particularly liable to violent, threatening and abusive behaviour after consuming alcohol and as such special measures must be in place to protect staff. The Union will not tolerate violent, threatening and abusive behaviour; the Union's Disciplinary Procedures details action to be taken if a student is found to have been violent, threatening or abusive.
- 20.4 Entertainment staff, who may work with electrical equipment, staging and other heavy objects, will be closely supervised by the Venue Manager and will receive training in Health and Safety.

## **21.0 Personal Emergency Evacuation Plan (PEEP)**

- 21.1 The aim of a Personal Emergency Evacuation Plan PEEP is to provide staff who cannot get themselves out of a building unaided with the necessary information to be able to manage their escape to a place of safety and to give departments the necessary information so as to ensure that the correct level of assistance is always available

## **22.0 Vehicles**

- 22.1 The Union owns a number of minibuses and other vehicles, which are predominantly for the use of the Union's clubs. The use of the vehicles is tightly controlled in order to assure the safety of the drivers, passengers and anyone else who may be affected by their use.
- 22.2 The Student Activities Manager is responsible for the operation of the Union's vehicles and the Union has a separate Transport Policy which outlines how these are managed and operated in a safe manner. This policy will be reviewed annually by the Health and Safety Committee.

## **23.0 Stress Policy**

- 23.1 Stress is the adverse reaction people have to excessive pressure. It isn't a disease, but if it is intense and goes on for some time, stress can lead to mental and physical ill health.
- 23.2 One in five of the UK workforce says that stress is the single biggest barrier to improved productivity. For an organisation, stress amongst its employees can lead to low staff morale, high staff turnover, poor timekeeping, higher

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levels of sickness absence, reduced levels of customer service and lower levels of productivity. Tackling stress at work is therefore a priority for Imperial College Union.

23.3 Imperial College Union is committed to eliminating the adverse affects of stress amongst its employees, recognising that what is best for its employees is also best for the organisation. Imperial College Union will:

23.3.1 Work with staff to identify pressures at work that could cause high and long-lasting levels of stress

23.3.2 Work with staff to identify strategies to reduce pressure at work

23.3.3 Monitor and review strategies to reduce pressure

23.3.4 Involve staff in identifying long-term strategies to reduce pressure at work

23.4 The first step in eliminating stress is to identify stress amongst staff. Managers in particular must look out for symptoms of stress amongst their staff. Symptoms include:

23.4.1 Changes in a person's mood or behaviour, such as deteriorating relationships with colleagues, irritability, indecisiveness, absenteeism or reduced performance

23.4.2 Increased consumption of alcohol, tobacco, caffeine and/or possibly illegal drugs

23.4.3 Complaints about their health, for example frequent headaches

23.4.4 Increased sickness absence from work

23.4.5 Deterioration in timekeeping

23.4.6 Reduced quality of work

23.4.7 Increased number of complaints from customers

23.5 Staff have a responsibility to inform their manager if they are suffering from pressure at work and/or work-related stress. Managers must treat this information as confidential, although they may need to discuss strategies to overcome the pressure/stress with their manager, the Union's Safety Officer and/or Managing Director

23.6 The College's 'Confidential Care' Counselling Service offers free counselling to staff, which may help alleviate problems associated with excessive stress.

23.7 The Union will provide stress management training where appropriate.

## **24.0 Smoking Policy**

24.1 Smoking can cause serious damage to health, either through active or passive smoking. Imperial College Union recognises that some of its staff, customers and visitors will be smokers. However, the Union has an obligation to protect its staff, customers and visitors from the ill effects of passive smoking.

24.1.1 Smoking is not allowed in any of the Union's premises

24.1.2 Smoking is not allowed within 5 metres of any building with the exception of our Licensed Trade Premises.

24.1.3 The Union will ensure that "No Smoking" signs are displayed prominently in all areas except those designated as smoking areas.

24.1.4 Smoking is not permitted in vehicles that are leased, rented or owned by the Union.

## **25.0 Clubs, Societies & Projects**

- 25.1 The provision of sporting, social, academic and religious activities through Union Clubs, Societies & Projects is a key function of imperial College Union. The Union is committed to ensuring the health, safety and welfare of all members of Union Clubs, Societies & Projects. Inevitably, there are risks associated with many of these groups. This section details how these risks will be identified and minimised.
- 25.2 Each Club, Society or Project elects officers to oversee the running of said Club, Society or Project. These officers also have a responsibility to ensure that their group is run in accordance with the Union's policies, including the Health and Safety Policy.
- 25.3 The Union has a Clubs, Societies & Projects policy which designates responsibility with respect to Health & Safety such that:
  - 25.3.1 Clubs, societies and projects are required to conduct themselves in a fair and democratic manner. They owe a duty of care to their members for their health and safety and a responsibility not to discriminate among them or harass them.
  - 25.3.2 The Union shall comply with significant financial and health and safety requirements prescribed by law, College and other bodies or agencies. Clubs, societies and projects will need to demonstrate to the Union that they are complying with these requirements.
  - 25.3.3 All clubs, societies and projects are managed by a committee. The members of the committee share a responsibility for its management, though its Chair holds ultimate responsibility to the Union for the club or society's activity, health & safety and finances.
  - 25.3.4 Clubs, societies and projects need to inform the Union of their internal controls, provisions on Health and Safety and other matters so the Union can satisfy its legal duties.
- 25.4 The Clubs, Societies & Projects policy further designates that the Deputy President (Clubs & Societies) is responsible for Health & Safety for Clubs, Societies and Projects in a chain of responsibility. It is recognised that this is a significant responsibility and that professional support is provided to them primarily by the Student Activities Manager.
- 25.5 Operational responsibility
  - 25.5.1 The Clubs, Societies & Projects Policy allows for groups to be suspended for a severe breach of Health & Safety rules or procedures. In extreme circumstances a group or activity may be suspended by the department safety officer.
  - 25.5.2 The Clubs, Societies & Projects allows for a system of activity registration to be operated, this is detailed in the training available to these groups. Furthermore the policy stipulates certain other documents including the need for suitable risk assessments.
  - 25.5.3 Staff responsibility for the Union's Clubs, Societies & Projects lies with the Student Activities Manager. Responsibility for implementing the Health and Safety policy in the Union's Clubs, Societies & Projects is delegated to the Student Activities Manager.
  - 25.5.4 Club, Society & Project officers will be expected to conduct risk assessments for their activities, equipment and any activities that they organise. Assistance in managing the Health and Safety of their Club, Society or Project will be provided by the Student Activities Manager.

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- 25.5.5 The Union will provide training in Health and Safety for Club, Society or Project officers. Certain elements will be mandatory for certain groups. A plan for this training will be agreed by the Health & Safety Committee annually.
- 25.5.6 Many Clubs, Societies & Projects organise trips away from the College campuses. A system of activity registration is operated which will be reviewed and agreed by the Health & Safety Committee annually.
- 25.5.7 Given the scale of the student activities programme incidents are likely to occur. A process of incident categorisation and management is in place. This will be reviewed annually by the Health & Safety Committee and agreed with College Security.

## **26.0 Community Volunteering Scheme**

- 26.1 The Union operates a Community Volunteering Scheme. This includes the provision of one-off volunteer opportunities and volunteering opportunities offered by organisations external to the College.
- 26.2 For volunteering opportunities hosted by the Union these will follow the same procedures as those operated by Clubs, Societies & Projects as detailed in the relevant section.
- 26.3 For volunteering opportunities which are provided through another organisation, where they are acting as the 'placement provider' then they have a responsibility to ensure the Health and Safety of volunteers whilst on their premises.
- 26.4 The Union will ensure that adequate Health and Safety management procedures are provided by the 'placement provider', including the completion of risk assessments, Health and Safety training and record keeping.
- 26.5 All 'placement providers' must ensure that volunteers are supervised during volunteering. Placement providers must also complete a consent form stating that they are responsible for ensuring the Health and Safety of the volunteers and for supervising their activities.
- 26.6 Where necessary, placement providers or Imperial College Union will organise DBS checks of volunteers to ensure their suitability to work with children and/or vulnerable adults.
- 26.7 Procedures for ensuring the safety of volunteers while volunteering with a placement provider will be reviewed annually by the Health & Safety Committee.

## **27.0 Lone Working**

- 27.1 There are areas within the Union where staff may be required to work in isolation. In the majority of cases this will be without significant risk (e.g. persons working alone in offices where appropriate safety precautions are in place). However, there will be occasions when this is not so.
- 27.2 Working alone can introduce or accentuate hazards (e.g. lack of assistance if needed, inadequate provision of first aid, sudden illness, violence from others, emergencies, failure of services and supplies, etc.).
- 27.3 Lone working is intended to cover all work proposed to be undertaken alone where the risk to the lone worker may be increased either by the work itself, or by the lack of on-hand support should something go wrong. Managers shall

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ensure that all lone working activities are formally identified and appropriate risk assessments undertaken, which identify the risk to lone workers and the control measures necessary to minimise risks, as far as reasonably practicable.

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## **Appendix D**

### **Clubs, Societies & Projects Finance Group (the “SGI” Group) Terms of Reference**

#### **Purpose**

To provide appropriate context to the financial reports relating to Clubs, Societies & Projects; together with ensuring underlying causes are well understood and developed for the better.

#### **Remit**

1. To review monthly financial reports pertaining to the Clubs, Societies & Projects.
2. To investigate areas within the financial reports for Clubs, Societies & Projects which are felt to be of concern by members of the group and take appropriate action to resolve them.
3. To devise new financial reports for Clubs, Societies & Projects to better understand their financial activities.
4. To ensure any expenditure and reports relating to significant amounts of funding are completed within the correct timescale.
5. To ensure the financial affairs of Clubs, Societies & Projects which have closed are dealt with.
6. To consider changes to financial policy or processes which pertain to Clubs, Societies & Projects and make recommendations to the appropriate bodies.
7. To review and approve the finance training framework and materials for Clubs, Societies & Projects.
8. To hold user-consultations with representatives of Clubs, Societies & Projects relating to relevant financial policy and processes.
9. To verify the existence of significant fixed assets managed by Clubs, Societies & Projects.

#### **Responsibility and Authority**

This is a non-formal group, but has a specific role in providing context to the financial reports of Clubs, Societies & Projects as well as making recommendations for development of policy and processes.

#### **Reporting Line**

Informally, to the Finance & Risk Committee

#### **Membership**

- Membership Services Manager (Chair)
- Deputy President (Finance & Services)
- Deputy President (Clubs & Societies)
- Head of Finance
- Student Activities Manager
- Finance Analyst
- Clubs & Societies Finance Administrator
- Finance Administrator
- HR and Admin Coordinator (in attendance)

#### **Regularity of Meetings**

Normally monthly, but more regularly at the discretion of the Chair.

## **Appendix E**

### **Use of Union Credit Cards Process**

#### **1. Purpose**

- 1.1. The purpose of this document is to describe the procedure for payments made through the Union Credit Cards to supplement the information given in the finance manual, and to update the process agreed in 2009.

#### **2. Cross Reference to Finance Manual**

- 2.1. The current version of the Finance Manual states that:
  - 2.1.1. The Union currently holds two credit cards issued by Natwest.
  - 2.1.2. Credit card holders are responsible for the safe keeping of their cards, together with any passwords and PIN numbers for their credit card.
  - 2.1.3. Credit cards are to be used only in the following circumstances:
    - 2.1.3.1. Urgent purposes, i.e. those requiring immediate action or attention;
    - 2.1.3.2. Where it is the only form of payment accepted at the point of purchase;
    - 2.1.3.3. To take advantage of a special offer that would otherwise be unavailable; and
    - 2.1.3.4. Flight bookings.
  - 2.1.4. The Credit Card holder is required to follow the following procedures when using credit cards to make payments is as follows:
    - 2.1.4.1. A Credit Card Purchase Form should be obtained from Finance completed and authorised in accordance with the Levels of Authority;
    - 2.1.4.2. The purchase is made;
    - 2.1.4.3. A VAT receipt/purchase invoice/order acknowledgement should be obtained from the supplier and/or appropriate internet correspondence;
    - 2.1.4.4. Documentation should be attached to the Credit Card Purchase form and forwarded to Finance.
  - 2.1.5. Payments should be appropriately authorised. Clubs, Societies and Projects must ensure that they use the same approval process as for any expenditure claim.
  - 2.1.6. Finance shall check the credit card statement periodically to ensure that all transactions are fully supported by an audit trail. Any discrepancies, such as missing documentation, shall be followed up with the card holders.
- 2.2. More detail is given to these principles in this process note.

#### **3. Credit Card Holders and Limits**

- 3.1. Credit Card Holders and credit limits are determined by the Managing Director, in consultation with the Deputy President (Finance & Services) and Head of Finance.
- 3.2. The overall monthly credit limit for all Union credit cards combined shall be £75,000.

#### **4. Process Overview**

- 4.1. The process for the Credit Card purchases is divided into two different categories and these are as follows:
  - 4.1.1. Standard purchases, as defined by the Finance Manual as:



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- 4.1.1.1. Where it is the only form of payment accepted at the point of purchase;
- 4.1.1.2. To take advantage of a special offer that would otherwise be unavailable; and
- 4.1.1.3. Flight bookings.
- 4.1.2. Urgent purposes (from the Finance Manual “those requiring immediate action or attention”). It is anticipated that these are generally in relation to situations which occur out of hours and/or arise from Critical Incidents, where expenditure is required to maintain the safety, wellbeing, health or security of our members or the reputation of the College or Union.
- 4.2. Credit Card payments will normally be made from the Union Offices in Beit Quad either online or by phone.
- 4.3. Purchases of goods and services which meet the above criteria and which could be made via the Union Credit Card, but require the card holder to be present to take delivery will not be made. For example deliveries of online supermarket goods, collection of train tickets etc.. In these instances individuals will be asked to make the payment through their own means and complete a Claim for Reimbursement, even in the value of that claim is over the normal guidance limit.
- 4.4. In the case of flight bookings those making the payment will be asked to provide copies of passports and visas (if appropriate) for the participants before payments are processed.

## **5. Standard purchases**

- 5.1. The requestor of a payment completes either:
  - 5.1.1. A paper Credit Card purchase form, or
  - 5.1.2. The online Credit Card request form in eActivities.
- 5.2. The requestor ensures that the request is duly authorised in accordance with the thresholds set in the Finance Manual
  - 5.2.1. By obtaining appropriate signatures in the case of a paper form,
  - 5.2.2. Through online approvals if created in eActivities.
- 5.3. The requestor arranges a mutually convenient time with a credit card holder to make the payment.
- 5.4. The credit card holder passes copies of any available receipts, along with a paper copy of the credit card authorisation from eActivities, or Credit Card purchase form, to the Finance Department.
- 5.5. The requestor is responsible for providing any subsequent receipts (eg. full VAT invoice) to the Finance Department subsequently.
- 5.6. In the case of recurring payments (such as online subscriptions) one approval may be completed to cover the whole cost of the subscription for up to 12 months. A separate form for every month is not required.
- 5.7. It is recognised that often credit card holders will be either making or approving a payment which is made on their Union Credit Card.

## **6. Urgent purchases**

- 6.1. It is recognised that the operations of the Union continue beyond office hours and that circumstances arise where urgent payments need to be made at times where the normal authorisation hierarchy cannot be enacted.
- 6.2. A number of staff members are involved in providing Critical Incident Cover for the organisation, most notably for student activities incidents. Experience has shown that urgent credit card payments do need to be made in these circumstances.
- 6.3. If an urgent payment needs to be made a Credit Card Holder may spend up to £2,500 without prior approval.
- 6.4. In situations arising out of Critical Incidents there will generally not be an agreed budget line for where expenditure will be costed against. In these circumstances the

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safety and wellbeing of our members is paramount and appropriate judgement relating to expenditure will be exercised by the credit card holder at the time in resolving the incident.

## **7. Other**

- 7.1. Credit card holders are responsible for ensuring suitable credit is available on their card for dealing with urgent payments. The expectation is that this will be £5,000-£10,000 at any point in time depending on the card limit.
- 7.2. The Finance Department are responsible for arranging new credit cards together with cancelling and destroying credit cards which are no longer required.
- 7.3. Credit Card holders are responsible for cancelling their Credit Card if it is lost or stolen.
- 7.4. The Finance Department are responsible for posting payments to the Finance system and for having a written process for how this work is carried out.

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## **Appendix F**

### **Club, Society & Project Event Management**

#### **Context**

At the previous meeting of the Finance & Risk Committee the then Deputy President (Finance & Services) noted that the only authorisation for events where expenditure is over £1,000 lies with the holder of that role. There are currently no formal checks for the events after the budget has been signed off and no framework in which decisions on the appropriateness of the budget can be made.

Furthermore it was noted that the Union is effectively underwriting many events and holding the risk associated with them. While many are relatively small in size there is cumulative risk in multiple medium size events. The Union will often underwrite the financial risk of an event, allowing a club to run into a negative financial position. This is done on the basis that a club will recoup the costs from ticket sales at a later date, given most venues will require payment before an event takes place. This requires careful and precise budgeting to events to ensure the financial risk is managed, but the event is delivered at an appropriate cost to the participants.

The committee agreed at the last meeting that this was an area of concern and that they were sympathetic to finding a supportive solution. This paper outlines a process to enhance the scrutiny of event budgets, while not requiring a formal change of the Finance Regulations or Finance Manual. The process notes that the financial elements within an event budget relate strongly to the way in which an event is organised and managed; approving an event budget is part of a much wider set of considerations. This process makes use of appropriate Sabbatical Officers and Union staff at appropriate levels of expenditure.

#### **Background**

Student run events are varied and complex, ranging from small on campus gatherings to large scale shows, dinners and trips in all corners of the globe. Currently our framework for managing Club, Society & Project events is fragmented and does not currently adequately protect the Union from shouldering financial losses arising from these activities.

It is currently expected that where significant funding is being committed to an event, then a club will complete an event budget online via eActivities. There are currently no defined criteria for when a club should complete an event budget. Usually it is up to the discretion of Management Group Chairs and Treasurers, and Sabbatical Officers to determine when one is necessary. In some cases such as an application for tour funding from the Clubs, Societies & Projects Board or where a club needs to spend money it does not currently have, a budget may be a pre-requisite of receiving additional funding or being allowed to go into an overdrawn financial position.

#### **What is our process?**

Event budget approval is done in the same way, and by the same people as other expenditure transactions. There are three challenges with this setup.

Firstly, as previously mentioned, there is no requirement for an event budget to be completed unless a CSP is asked to do one. It can be very difficult to tell from claims,

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invoices etc. what event they are for, unless a club is particularly efficient at organising their accounts. Expenditure may be committed before an event budget is even submitted; contracts alleviate this challenge for venue hire somewhat but other types of expenditure can very easily slip through.

This is compounded by the second challenge, which is that there are no set criteria for when an event budget has to be submitted. Setting a rule for when they must be submitted would help alleviate the first challenge, by making it clear for what events a budget must be made.

Finally, we rely on Management Groups to approve many of these budgets. A total expenditure of under £1,000 is only approved at a Management Group level in line with all other transactions. Similarly expenditure of over £10,000 goes to the Executive Committee and expenditure over £50,000 must be seen by the Head of Finance and then passed to the Trustee Board for approval. Given the size and variety of activities within each Management Group it is unfair to expect them to be able to always adequately assess the viability of event budgets. There may also be contracts involved which actually demonstrate that the financial risk is larger than the event budget indicates. In such circumstances there may end up being very little time left within which to engage and address any issues that arise.

### **Situations requiring an event budget**

It is proposed that the Union set a threshold at which an event budget must be completed at a certain value of expenditure. A percentage of annual club expenditure could be an additional method used here, but at this stage this is considered too complicated a process to automate and manage on a day-to-day basis, however it may be an option for the future.

It is proposed that an expenditure of £500 is the level at which an event budget must be completed.

Often venues such as hotels, nightclubs, theatres and conference centres require a contract to be in place for their use. In this case expenditure will most likely be more than £500 however this is not always true.

It is further proposed that an event budget must be completed whenever an event involves the hiring of an external venue.

### **Events below £1,000**

Below expenditure of £1,000 events should continue to be approved at a Management Group level, but we will encourage Management Group Officers to refer budgets upwards where there are any uncertainties or issues.

There is already a paper based approval system for events which take place in College spaces which have a hire fee associated with them. Similarly within the Union the only spaces that involve hire costs have application processes (We Are Metric nights), or are booked through a member of Union staff who can access the club finances (Union Bar hire).

### **Events between £1,000 and £10,000**

There is a role for staff, their expertise and institutional experience in this process. This could help address some non-financial concerns as well as financial ones (e.g. Health & Safety). However formal committee structures and bringing together a wider pool of people would risk events not being approved due to difficulties in getting people together, rather than due

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to genuine concerns as to the quality of the events. The skills and experience to manage CSP events are in-house, and responsive to the short timescales within which CSP's plan and organise events.

It is recommended that for all events above £1,000 expenditure the club must have a meeting with a consultative group consisting of 1 staff member and 1 sabbatical officer drawn from the following list: Deputy President (Clubs & Societies), Deputy President (Finance & Services), Membership Services Manager, Student Activities Coordinator and Student Activities Manager.

For this meeting clubs should prepare their event budget and also a short proposal outlining the aims of their event, and the details of how they intend to run it.

### **Events over £10,000**

Additionally events with expenditure over £10,000 should not go directly to the Executive Committee. They should first be reviewed in a meeting (as with all events above £1,000 as described previously) before being passed on with comments to the Head of Finance. The Deputy President (Finance & Services) and Head of Finance will then submit the budget to the Executive Committee with recommendations, or alternatively where there are significant concerns refer the event to the Finance & Risk Committee.

### **Events over £50,000**

It is not anticipated that a club event will undertake an expenditure of over £50,000, but in this case the budget will be reviewed as described in the section for events over £1,000, before being passed on with comments to the Head of Finance. The Deputy President (Finance & Services) and Head of Finance will then submit the budget to the Finance & Risk Committee with recommendations.

### **Timescales**

In communications to student groups it will be important to be clear on the time it will take to approve event budgets which are referred to the Executive Committee or Finance & Risk Committee. For the purposes of communication, any event budget will require at least three weeks notice; if the expenditure is under £10,000 then six weeks notice will be required; and if the expenditure is over £10,000 three months notice will be required.

### **How do we assess risk?**

Guidelines for how financial risk is assessed need to be agreed so that all events are assessed using the same framework. Suggested factors are given below.

Things that should be taken into consideration in the event approval process:

- **Experience;** of the Committee as a whole and the individual event organisers, whether this is experience from running the event before, being on the Committee in previous years, or experience in running other clubs.
- **Past budgets and issues;** did the event make a profit in the past? What issues and problems arose, and have any remedial actions been taken to ensure no repeat?

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- **External changes;** are there any new rules or regulations that will prevent the event running as it has done in the past? For example, new room booking charges or restrictions.
- **SGI and general club finances;** does the club have the capacity for absorbing any financial losses incurred? Financially risky events may be worth the risk if the loss can be covered. Running an event at a loss may also be an option where there is a sustainable method for covering the loss incurred. The % of turnover of the club that a loss represents should be taken into account here.
- **Partnerships;** are there partnerships that can be utilised to increase revenues or share financial risks? Equally is there risk of damaging a partnership if there is a financial loss?
- **Risk Assessment;** has a risk assessment been undertaken for the event? Is there a likelihood that compensation may be required in case of risks ensuing?
- **Contracts;** have sponsorship contracts been signed and the income secured? Are there cancellation charges, hidden fees, or deposits in venue contracts that need to be factored into the budget?
- **Reputation;** what are the reputational risks that the event could entail? Equally, what are the negative reputational risks that we run in not allowing an event to proceed. Will these have a positive or negative financial impact on the club and/or Union.

### **What additional requirements can be insisted upon?**

The Union should also formalise the requirements that we may ask of CSP's before granting approval for an event to go ahead.

Extra requirements that could be placed on events before they are approved include:

- A publicity plan.
- A Gantt Chart which shows the timeline of the key processes and which demonstrates at what point it is still possible to abort without losing money.
- Regular scheduled meetings with staff and officers to monitor and record progress.
- A risk assessment.
- The need to collaborate on the event with an internal or external organisation.
- Securing the income before any expenditure is committed.
- A realistic and plan for how the maximum projected loss could be covered.
- Extra insurance cover.
- Cash handling procedures which may include a requirement to only sell tickets online.

Clubs may be asked to reduce their expenditure through methods including:

- Using a cheaper venue or supplier.
- Negotiating a better contract.
- Eliminating non-core costs.
- Sharing the costs with other groups through economies of scale.

Clubs may be asked to increase their income through:

- Securing sponsorship.
- Increasing ticket prices.
- Charging non-members a higher price.

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- Securing donations from members and alumni.

## **Reporting**

<p>It is proposed that event approvals above £1,000 in expenditure are reported to each meeting of the Clubs, Societies &amp; Projects Finance Group, and that the Finance &amp; Risk Committee receive a twice yearly summary of events which have been approved.</p>
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There is no robust mechanism for reporting financial outturn of club events against the agreed budget at this point in time, but this could be a reporting consideration for the future.

## **Conclusion**

This paper outlines a framework which can be put in place to assesses the viability of event budgets and provide advice to the Deputy President (Finance & Services) and Executive Committee for their role in approving them. The framework provides a consistent approach to how conclusions are reached and it can be used in creating further guidance upon how good budgets can be produced.