

# **ICU Trustee Board Managing Director's Report July 2014**

## **Financial Performance**

As ever the Union's financial performance is a key focus of the Union's management team and we can now say with some certainty that the Union will have another successful financial year. At the end of May the Union was c. £100k ahead of budget through a combination of increased income and expenditure control. This performance will continue to enhance the Union's reputation and give the Union options to invest in its services and facilities in the future. A significant proportion of the minibus fleet will be replaced over the summer and this has been enabled by the Union's sustained financial performance. This performance has been enabled and supported by a significant focus on the Union's financial control and compliance. The Union's progress in this area has now been recognized by the recent Internal Audit – I am pleased to be able to inform the Board that the outcome of the Audit is a positive movement to a 'Substantial' level of assurance. This is a significant milestone for the Union and will have a significant impact on the Union's reputation with external stakeholders, and in particular, the College. I'd like to thank the Finance Team and the entire Union Management Team for their commitment to improving our performance in this area.

## **Capital Projects**

We now have three capital projects, funded by the college, in progress for the summer break. The replacement to the Union's newsagents, in the former 'pop-up' gift shop, is now under construction and will be completed at the end of July. The West Basement Student Media Centre is now well under way and will be ready in September. The Concert Hall project is in the final stages of planning and will be completed in time for the new term.

## **Partnership Projects**

A number of new initiatives have been developed over the past few weeks which will give the Union the opportunity to demonstrate its ability to deliver services on behalf of the College and raise revenues for the Union. The Union will be administering the Student Amenities Fund through the Union's systems; the Union will be leasing old minibuses to the College to facilitate its Imperial West minibus trial. Whilst it is important that the operational and reputational risks of taking on such schemes needs to be carefully managed, these are great opportunities for the Union which could lead on to further opportunities.

## **Operating Plan Success**

The theme of this meeting of the Board of Trustees is very much about looking forward, in particular discussing the Budget and Operating Plan for the coming academic year. It is, however, worth reflecting on some of the Union's achievements through the delivery of this year's operating plan, including

- Increase in the amount of CSP memberships
- Introduction and Development of Imperial Plus and Community Connections
- Development of Student Academic Choice Awards and Union Awards
- Development of Political and Campaigning Work
- Launch of Rep Conference

It has been a very successful year for the Union and the positive outcomes of making tough decisions and focusing on financial performance are starting to become apparent in the expansion and improvements in our services and representation for our members. I'd like to thank the Union's staff and officers for all their hard work this year to enable this to happen.

I'd also like to thank David, Marissa, Nat, Yas and Kieron for all their hard work and commitment to the Union over the last year. They have been a great team to work with and I would like to wish them all the best for the future.

**Joe Cooper  
Managing Director  
July 2014**

Financial Performance	Top 5 future risks
<ol style="list-style-type: none"> <li>1. <b>Summary</b> – <i>The Union’s financial performance continues to be strong, and we can now be confident of positive performance to budget for the financial year</i></li> <li>2. <b>Latest management accounts</b> – <i>May’s management accounts showed a £15k positive variance to budget, leading to a £99k positive variance for the year to date.</i></li> <li>3. <b>Financial Reporting</b> – <i>The Union’s Senior Management Team and wider management team continue to receive weekly revenue updates for all commercial areas to inform decision making.</i></li> <li>4. <b>Current revenue performance</b> – <i>All income generating areas continue to perform strongly with the most recent six weeks figures indicating and overall £13k positive variance to budget.</i></li> <li>5. <b>Financial Control</b> – <i>The internal audit process has completed with a positive result for the Union. Planning is underway for the annual external audit and initial planning meetings have already taken place.</i></li> </ol>	<ol style="list-style-type: none"> <li>1. <b>Financial Performance</b> – <i>The Union’s improved financial position has been hard earned, but could unwind very quickly if focus is lost on this area.</i></li> <li>2. <b>Reputational and Operational Risks with New Projects</b> – <i>Whilst delivering services on behalf of College departments or external organisations is positive, it is essential that they are well delivered so as to avoid reputational damage, or unacceptable stretch on the Union’s resources and personnel</i></li> <li>3. <b>Capital Projects Delivery</b> – <i>With three concurrent capital projects underway at the same time it is essential that they are carefully monitored to ensure that they stay within their budget and programmes, whilst delivering all key requirements.</i></li> <li>4. <b>Campaigning priorities and Institutional Relationships</b> – <i>A number of issues, including Accommodation Pricing and the future of Teddington Sports ground, have highlighted the inherent challenges with the relationship between the Union and the College.</i></li> <li>5. <b>Welcome Week</b> – <i>As we look forward to the coming academic year it is essential that we ensure that the Union’s communications, events and activities for the start of the year set a positive tone with the new intake of Union members.</i></li> </ol>
Top 5 things achieved since last Board meeting	Top 5 issues we are managing at the moment
<ol style="list-style-type: none"> <li>1. <b>Internal Audit Performance</b> – <i>As mentioned overleaf, the move to ‘Substantial Assurance’ is an important endorsement of the Union and has been a long time coming. It is recognition of the hard work and commitment of the entirety of the Union’s management team.</i></li> <li>2. <b>Sustained financial performance</b> – <i>As outlined earlier – this gives the Union significantly more flexibility and security going forward.</i></li> <li>3. <b>Summer Ball Performance</b> – <i>This event exceeded its budget expectations and sold all available tickets. Feedback from students has been good.</i></li> <li>4. <b>Completion of Budget and New projects</b> – <i>The budget process has been a positive one that has involved all of the Union’s budget holders. It has been incredibly challenging to find a way to deliver more services for students in the constraints but the process has ensured that the union is as efficient as possible</i></li> <li>5. <b>Student Academic Choice Awards</b> – <i>This process really reached maturity this year after its pilot in 2013. The event was a tremendous success that has been recognised by a number of senior College staff</i></li> </ol>	<ol style="list-style-type: none"> <li>1. <b>Officer Trustee Handover and Training</b> – <i>A detailed plan for the Handover, Induction and Training of our new Officer Trustees has been produced and will be delivered during July and August.</i></li> <li>2. <b>Capital Projects</b> – <i>As outlined earlier the Beit Basement, Newsagent and Concert Hall are all reaching final stages of development and delivery.</i></li> <li>3. <b>Restructuring and Recruitment</b> – <i>We are currently recruiting to a number of new and existing roles for the Union and this will continue throughout the summer. In addition some areas of the Union are going through restructuring processes.</i></li> <li>4. <b>Welcome Week Planning</b> – <i>Planning is now underway for Welcome Week in October</i></li> <li>5. <b>Implementation of Amenities’ Fund</b> – <i>Following agreement from the Board and the College, and the agreement of a management charge of £10,000, the Union is agreeing the final details of the processes required for managing the fund.</i></li> </ol>