

**Board of Trustees  
Managing Director's Report  
July 2014**

**Financial Performance**

I'm very pleased to be able to report that the Union's (unaudited) year-end figures reflect our third successive year of very strong financial performance. We are expecting the accounts to reflect a surplus of £146,000, a positive variance of £96,000 compared to budget. Our free reserves position is £422,000, after the deduction of around £304,000 for the purchase of six minibuses a £100,000 allocation for Student Media equipment, and a £30,000 contribution to the Concert Hall project. This demonstrates our commitment and ability to move towards to Board's challenging strategic reserves objective of £1,000,000 by 2018, whilst investing in the Student Experience for our current members. Our liquidity is very strong, with a net current assets position of £1.6 million (compared to a negative £181,000 position in 2011) and a cash position of nearly £2,000,000 compared to £635,000 in 2011. This performance has been achieving through the hard work and commitment of Trustees, Officers, Volunteers, Management and Staff working in partnership and it is very pleasing for the Union to be in unambiguously good financial health. I do believe that maintaining and developing this position will be no easier than earning it, and this position can be lost in much less time than it took to earn. It is essential that financial prudence, timely and quality reporting, and finding efficiencies remain key to how we operate and that complacency is guarded against.

**Capital Projects**

The new newsagent, Shop Extra, was completed within budget and the agreed timeframe. The quality of the new outlet and the management of the project has led to positive feedback from the college and early signs of the impact of the new outlet are good. We continue to work on the Beit Basement and Concert Hall projects, which should be delivered in time for the new academic year. These projects in particular demonstrate our ability to invest in the student experience with the resources gained from our improved financial performance, with a total of £140,000 being invested in the two spaces on top of the College's funding.

**Staff Survey**

In January the Union participated in the College's Staff Survey, which gathers staff members' viewpoints on a range of issues. The Union has performed very well in this survey – the overall job satisfaction rating is 77%, compared to a College average of 79%. It is particularly satisfying to see high scores in areas in which the Union has been traditionally weak and management focus has had a demonstrable impact – in particular 'Access to Learning and Development Opportunities' (88.9% compared to College average of 75.2%) and 'I have a PRDP (PDR) annually (93.9% compared to College average of 77.2%)'. The Union outperformed the College average in 82 out of 114 questions, and the Union was ranked sixth of 37 departments across the college when all the results are analysed. This is a really strong performance for the Union, which will resonate across the college, and I am thrilled for the Union's management team for this result.

**Third Sector Awards**

We discovered in late July that, following the submission of a nomination by Senior Managers, that our Student Development Manager, Nick Snow, has made the shortlist for the Third Sector Excellence Awards for Volunteer Manager of the year. The awards ceremony takes place on 18 September and we wish him the best of luck, but irrespective of the final outcome this is a fitting tribute to Nick's work, and to the significant strides that the Union had made in recent years in the recognition, support and development of volunteers.

**Phil Power and Management Structure**

This meeting will feature, I am sure, detailed discussions on the appropriate management structure of the Union following Phil's departure. This report gives me the opportunity to formally thank Phil for his contribution to the Union over many years. He leaves a number of lasting achievements, which will support and develop the student experience for years to come and we all will certainly miss him.

Please don't hesitate to contact me if you want to discuss any of the issues raised in this report or if you have any feedback on it's content or structure.

**Joe Cooper  
Managing Director  
September 2014**

Financial Performance	Top 5 future risks
<ol style="list-style-type: none"> <li>1. <b>Summary</b> – The Union’s financial performance has been very strong for the third year running, with the Union posting a significant surplus.</li> <li>2. <b>Latest management accounts</b> – July’s management accounts showed a £4.5k negative variance to budget, leaving a year to date surplus position of £146k, £96k ahead of budget.</li> <li>3. <b>Financial Reporting</b> – The Union’s Annual report and accounts are currently being developed. Weekly revenue reporting has begun for the new financial year and weekly profiles have been developed for H Bar and Catering for the first time. Management also receive daily revenue updates from H-Bar and SK Bars</li> <li>4. <b>Current revenue performance – Revenues</b> in August show a reasonable start to the year, with most areas slightly behind budget expectations. The Union’s net variance (net of casual staff costs) is £-6k for the month in August as detailed in weekly revenue reports.</li> <li>5. <b>Financial Control</b> – An action plan following the Deloitte report has been developed and is being implemented. Initial discussions with the new internal audit supplier (KPMG) are imminent.</li> </ol>	<ol style="list-style-type: none"> <li>1. <b>Financial Performance</b> – This year’s budget carries a significant amount of stretch and risk – it is essential that we continue to demonstrate financial performance to the College and grow the funds available to the Union to enable development and growth.</li> <li>2. <b>Management Gap and Restructure</b> – Phil’s departure brings challenges in the immediate term and any subsequent restructure needs to ensure that the Union is prepared for the future. A detailed consultation with staff is underway and this is a key part of this.</li> <li>3. <b>Capital Projects Delivery</b> – The Concert Hall and Beit Basement projects are still underway and need to be ready for the beginning of the academic year.</li> <li>4. <b>Welcome Week</b> – This is an enormous undertaking and success or failure can resonate for months and years – it is essential that students feel welcome and part of their Union from the outset.</li> <li>5. <b>Health and Safety Risk</b> - Whilst we have significantly improved our management of Health and Safety in recent times, a recent fire-related incident is a reminder that this needs to remain a key concern of management.</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>Financial Performance</b> – The Union’s financial health is strong, and this had been hard earned by the entire Union team. It is satisfying to see some of the physical manifestations of this work, including new minibuses and the new Student Media Centre.</li> <li>2. <b>Completion and launch of Shop Extra</b> – The new shop is a real asset to the Union and completing the project on time and on budget has impressed many within the College</li> <li>3. <b>Handover and Induction for new Officer Trustees</b> – A detailed programme was developed including a really productive joint session with Trustees and Senior Management in August.</li> <li>4. <b>College Staff Survey Results</b> – these have recently been released and demonstrate that the employment experience within the Union compares very favourably with the rest of the College</li> <li>5. <b>Health and Safety Training</b> – Continuing our commitment to improving our management of health and safety, 15 members of the Union’s management team have completed formal Health and Safety Qualifications over the summer.</li> </ol>	<ol style="list-style-type: none"> <li>1. <b>Completion of Beit Basements and Union Concert Hall</b> – As outlined above these projects are at crucial stages of development</li> <li>2. <b>Preparations for Welcome Week</b> – As outlined above this is a large network of crucial projects, events and initiatives that will involve all staff and officers in varying ways.</li> <li>3. <b>Restructuring and Recruitment</b> – A number of staffing reviews are at various stages of completion, including senior management. A verbal update will be provided at the Board Meeting</li> <li>4. <b>Management Structure Consultation</b> – As discussed elsewhere – this is currently proving to be a positive process with staff</li> <li>5. <b>Under 18’s</b> – This is an ongoing challenge, both in terms of trying to ensure that all our members can access services from the Union, but trying to influence change within the College to lessen the challenges.</li> </ol>