

**Imperial College Union  
Board of Trustees / 28 October 2020**

**Strategic Review Timeline: Phase Two**

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Purpose: This paper sets out the structure and process for phase two of the Union's transformation programme. It maps out the key details for a number of formal reviews and seeks approval for a clear theory of change and associated operating model for the organisation.

Decision(s): To approve the formal theory of change and operating model for the Union.

To consider the potential longer-term financial models for the Union.

To consider and approve the terms of reference for five key reviews for the Union to undertake as part of phase two of our transformation programme.

### 1. Context

Imperial College Union is in the midst of a period of significant transformation. In July 2020 this was separated into three core phases, enabling us to respond to both long-term challenges and the short-term requirement to adapt to the COVID-19 environment.

Phase	Expected Period	Description
One	August 2020 to October 2020	Tactical change driven by the COVID-19 pandemic, requiring ICU to temporarily shrink to a core operating model. Continuation of 'business as usual' under social distancing and other associated regulations.
Two	October 2020 to April 2021	Major strategic consultation and engagement period, looking at the future of ICU and building a shared vision that resonates with all our stakeholders.
Three	May 2021 onwards	The planning and commencement of an agreed 'transformation programme' based on a strategic plan that will likely include significant changes to the operating model of the organisation.

With the staffing reorganisation complete and the academic year now underway, we have successfully moved on from phase one of this model. It is now important that we provide more structure over phase two, setting out further detail regarding necessary streams of work that will ultimately put us in a position to move to phase three in May.

This paper is split into two sections. The first (section 2) involves two pieces of conceptual path-clearing, setting out the underlying assumptions for the organisation and the basis for how we intend to operate in the future. These will serve as a foundation for our new strategy and are common to all successful students' unions and similar charities operating both 'membership' and 'commercial' services.

- i. Our theory of change: how do we intend to deliver impact for our beneficiaries?
- ii. Our operating model: how is the organisation structured and managed?

The second section of the paper (section 3) then identifies five key areas that require a strategic review over this period. The standard approach to organisational development would be to do this in sequence, developing a new strategic plan first, and then working logically through a set of clearly identified enablers. However, there are a range of factors currently at play that push the organisation to take a 'parallel' approach to some of the more critical areas, and to review them concurrently with the development of the new strategy.

- i. Although the new strategy is yet to be developed, it is clear already that certain enablers will be necessary for the eventual plan. It therefore makes sense to start work on some of these immediately in order to accelerate our transformation. The five chosen will help 'unlock' future progress in other areas more quickly.
- ii. The COVID-19 pandemic has required the organisation to change significantly in the short term – shrinking to a core operating model. This means we have an opportunity to 'build back better' in the medium term, but to do this in some areas (for example our commercial services and staffing) we will need to make some fundamental decisions more quickly. Starting work in these areas now gives us the capacity to do this.
- iii. The College operates an annual planning round and has made it clear it is open to a substantial long-term funding bid from the Union in order to support our transformation. We therefore need some clarity over the more costly areas of the organisation – staffing and our space - before May, or we will miss the window of opportunity for another year.

The five priorities areas identified for phase two are as follows:

- 3A. Strategic Plan
- 3B. Commercial Services
- 3C. Buildings & Space
- 3D. Corporate Governance
- 3E. Staff Employment

## **2A. Our Theory of Change**

When developing a strategic plan, it is important to be clear about the assumptions upon which it is based. A theory of change is a specific and measurable description of a social change initiative that:

- i. Shows a causal pathway from A to B by specifying what is needed for any goals to be achieved.
- ii. Requires the articulation of underlying assumptions which can be tested and measured.
- iii. Starts from 'what you want to achieve' and then works backwards in order to understand what tactics and actions are required to deliver this.

We should adopt the following formal theory of change and place it front and centre of our new strategy.

- i. We should have a positive impact on the experience and outcomes of all Imperial College students from all backgrounds.
- ii. Positive impact is delivered by a combination of service provision (doing things for students, or helping them do things for themselves), and advocating for students (representing their interests to others).
- iii. Providing services for students can be done via direct delivery (doing it ourselves), in partnership with another organisation (most often the College), or via third parties. The appropriate model will differ depending on the nature of the service and where competitive advantage lies.

- iv. We must be a sustainable, effective and credible organisation in order to provide services and advocate for students' interests successfully. Legitimacy must be earned and will be a key driver for success in both areas of impact.

## **2B. Our Operating Model**

In terms of our operating model, the exact legal structure of the organisation should be considered as part of the formal governance review. But irrespective of whether any formal change is made (for example incorporation and the creation of a trading subsidiary), we need to be clear about how we operate, and use this model for planning, budgeting and other work.

- i. Core charity: this should house all our services directly linked to our charitable purpose (the advancement of education), but also all our back-office functions that are required to deliver these.
- ii. Social enterprise: this should house all our activities that 'trade' with our members, for example our venues, our retail, and our large-scale ticketed events (such as the Summer Ball).

## **Our Financial Model**

As our primary funder, the financial model for the organisation will need to be developed in conjunction with the College once the new strategy is agreed. For initial discussion, the three most common routes that students' unions currently operate on are as follows:

### Model A: Charity & Social Enterprise

Under this model, the core charity should be fully funded by the block grant provided by the College, alongside income we generate through sponsorship, advertising and media sales. It should be budgeted to break even with a reasonable contingency included to ensure the organisation can respond to changing circumstances.

The social enterprise should be broken down into 'cost centres' with directly attributable costs charged into them. Staffing costs which span more than one cost centre should be distributed on the basis of time spent working in this area and should be clearly identified on an annual basis to ensure year on year comparisons. Overall, the social enterprise operation should only be required to deliver a small operating surplus that should be used to fund limited annual capital refurbishments of the spaces.

### Model B: Charity & Commercial Operation

Under this model, the core charity should be funded by a combination of the block grant, income we generate through sponsorship, advertising and media sales, and a surplus generated by the commercial operation. The commercial operation should be tasked with delivering the maximum operating surplus possible, funding both a limited capital refurbishment of spaces and services provided by the core charity.

### Model C: Blended Model

Under this model, the core charity could be split into a number of primary and secondary areas. The block grant, and advertising, media sales and sponsorship, should fully fund those identified in the primary category. The social enterprise should then be managed to provide a reasonable surplus for limited capital refurbishments and funding for secondary services. Anything beyond this should be placed into a 'strategic investment' fund that Leadership and the Board can use to accelerate our development in key areas of the course of a year.

### **3A. Strategic Plan 2021-23**

#### Outputs

The key outputs for this project will be:

- i. A two-year *strategic plan* for the Union that guides our work, based around the theme of 'back to basics'. The plan should run from August 2021 to August 2023.
- ii. A range of key performance indicators (both output and impact-based) that demonstrate how we will measure our progress on a longitudinal basis.
- iii. An annual planning and budgeting round framework for the organisation that demonstrates a link between the longer-term strategy and annual priorities of students, officers and staff.
- iv. An agreed financial model for the organisation based on a wider discussion with the College about our block grant.

#### Scope

The key areas considered in scope as part of this review will be:

- i. Mission: a single line statement that clearly articulates the purpose of the Union in language that is easy to understand and aligns with student and College expectations.
- ii. Aims: a set of impact statements that are thematic in nature and resonate with known student priorities.
- iii. Enablers: a group of internal themes that the organisation must be good at in order to deliver our mission and impact.
- iv. Values: a set of behavioural
- v. KPIs: a range of performance measures (both leading and lagging) so we can track and progress, take action where needed, and celebrate success where we improve.
- vi. The approval of an annual planning and budgeting round framework for the organisation.
- vii. The submission of a formal presentation and report to the College on our long-term future, including the establishment of an agreed financial model.

#### Steering Group

Tom Flynn (Managing Director)

Abhijay Sood (President)

Tom Newman (Head of Membership Services)

Officer Trustee (TBC)

Jill Finney (Chair of Trustees)

Student Trustee (TBC)

#### Key Consultation Stakeholders

Board of Trustees

Union Council

Student Volunteer Leaders

College Staff

Students

#### Timeline & Suggested Stages

The exact timeline and precise plan for the project should be developed and agreed at the first meeting of the steering group. Likely stages include:

Stage Description	Outputs	Likely Date(s)
Steering Group	To agree the process and timeline for the project, setting key deadlines and dates.  To consider draft reports and key findings.	9 Nov (first meeting)
Desk based research	Creation of 'where are we now?' slide deck that sets the context for the strategic plan in the form of a SWOT analysis.	Nov
Stakeholder one to ones	MD, OTs and key Union staff to undertake structured one to one interviews with various student leaders using pre agreed questions. These will look at 'what makes Imperial special' and gain more insight into the challenges we face.	Nov - Dec
Draft	A high-level draft plan (without specific objectives) is published online and disseminated to all key stakeholders with a number of key questions for direct feedback.	Jan
Focus group consultations	A number of digital focus groups (including with Union Council) on the draft plan, refining the language we use and focusing specifically on tangible work that the plan would underpin.	Jan
Student insight	A student facing piece of insight (likely a short survey) that directly engages our members in the plan. It will ask about our future priorities in each of our themes to inform our specific objectives.	Feb
Approval and dissemination	Board approval and formal dissemination to all stakeholders.	24 Feb

### 3B. Commercial Review (Social Enterprise)

#### Outputs

The key outputs for this project will be:

- i. A three-year *commercial development plan* for the Union that articulates a clear strategic rationale for our operation of retail, food & beverage, entertainment, and commercial bookings.
- ii. A vision, set of USPs and business model for each outlet / service that we operate, which clearly aligns with current and future student requirements, and the broader approach taken by the College.

#### Scope

The following key areas are considered in scope as part of this review:

- i. The feasibility of all current outlets and services, based on both past performance, future potential and alignment with College plans.
- ii. The feasibility of potential new services that the Union might benefit from operating.
- iii. A review of our suppliers and potential to access to a purchasing consortium / third party agreements, in order to reduce costs and improve our supply chain.
- iv. A staffing model for the operation that considers a requirement to significantly increase our use of student staff across the organisation.
- v. A formal pricing policy that aligns with the wider financial model of the Union.

#### Steering Group

Tom Flynn (Managing Director)  
Sam Lee (DP Finance & Services)  
Kay Counter (Venue Operations Manager)  
Florence Vincendeau (Retail Manager)  
Officer Trustee (TBC)  
Graham Parker  
Student Trustee (TBC)  
Student Staff Member (TBC)

#### Key Consultation Stakeholders

Board of Trustees  
Students  
College Staff (particularly Campus Services)  
Union Staff  
Student Staff

#### Timeline & Suggested Stages

The exact timeline and precise plan for the project should be developed and agreed at the first meeting of the steering group. Likely stages include:

Stage Description	Outputs	Date
Steering Group	To agree the process and timeline for the project, setting key deadlines and dates.	Jan 2021 (first meeting)
	To consider draft reports and key findings.	

Desk based research and identification of future challenges	Creation of 'where are we now?' slide deck that sets the context for the commercial review in the form of a SWOT analysis.	
Site visits and comparisons with other similar organisations	Examination of benchmarking from across the sector, utilising specialist research into the student market.	
Focus group consultations	A number of digital focus groups with students on our commercial services, looking at key likes and dislikes.	
Student insight	A student facing piece of insight (likely a short survey) that directly engages our members in helping to plan a vision for each outlet.	
Draft plan	A wide-ranging consultation on the draft development plan that engages with all stakeholders – particularly the College.	
Approval and dissemination	Board approval of the 'Commercial Development Plan', and formal dissemination to all stakeholders.	12 May 2021

### 3C. Buildings & Space Review

#### Outputs

The key outputs for this project will be:

- i. A *space assessment report* for all Union-controlled spaces (South Kensington and elsewhere) that clearly identifies current usage, future planned usage, and any refurbishment needs.
- ii. A *space management policy* that governs how CSPs use Union-controlled space, including storage.
- iii. A *space assessment report* for all Constituent Union-controlled spaces that clearly identifies current usage, future planned usage, and any refurbishment needs.
- iv. A *future space requirements report* for future College developments, in particular White City, that considers both Union and CSP requirements.

#### Scope

The following key areas are considered in scope as part of this review:

- i. The current use of all Union-controlled facilities by staff, student volunteers and CSPs.
- ii. The current use of all Constituent Union-controlled facilities by staff, student volunteers and CSPs.

#### Steering Group

Tom Newman (Head of Membership Services)

Abhijay Sood (President)

Ross Unwin (Deputy President Clubs & Societies)

Sam Lee (Deputy President Finance & Services)

Kay Counter (Venues Operations Manager)

#### Key Consultation Stakeholders

Students

CSPs

Constituent Union Leaders

Student Volunteer Leaders

College Staff (particularly Estates, Health & Safety, Campus Services and FOOs)

Union Staff

#### Timeline & Suggested Stages

The exact timeline and precise plan for the project

Stage Description	Outputs	Date
Steering Group	To agree the process and timeline for the project, setting key deadlines and dates.  To consider draft reports and key findings.	Jan 2021 (first meeting)
Current assessment	Creation of 'where are we now?' slide deck that sets the context for the commercial review in the form of a SWOT analysis.	
Draft report	A full consultation on the final report with all participants to ensure it captures all feedback and action points.	



Approval and dissemination	Board approval of the space assessment and requirement reports. Ultimate discussion with College Estates and other key staff.	12 May 2021
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### 3D. Corporate Governance Review

#### Outputs

The key outputs for this project will be:

- i. A *governance development* plan that identifies a range of improvements and action points for the organisation, based on a review driven by the Charity Governance Code (as amended to be more relevant for students' unions).
- ii. Potential amendments to the Union's Constitution, for example the subcommittee structure of the Board.
- iii. Potential amendments to the corporate structure of the Union, for example a formal consideration of incorporation.
  
- iv. A revised *memorandum of understanding* between the Union and the College, alongside various *service level agreements* for our relationship with key support services.

#### Scope

The following key areas are considered in scope as part of this review:

- i. The review will be focussed on the *corporate* governance of the Union, rather than the democratic governance which will be partially undertaken as part of the President's objectives, and will also form part of a major thematic review in the next two years.
- ii. The structure of the Board and its subcommittees, to ensure it is effectively driving performance in the Union.

#### Steering Group

Tom Flynn (Managing Director)  
Abhijay Sood (President)  
Jill Finney (Chair of Trustees)  
Victoria Agbontaen (Governance Officer)  
Officer Trustee (TBC)  
Student Trustee (TBC)  
Union Council Chair

#### Key Consultation Stakeholders

Board of Trustees  
Union Council  
Student Volunteer Leaders  
Senior College Staff

#### Timeline & Suggested Stages

The exact timeline and precise plan for the project

Stage Description	Outputs	Date
Steering Group	To agree the process and timeline for the project, setting key deadlines and dates.  To consider draft reports and key findings.	Nov 2020 (first meeting)
Desk based research and steering group workshop	An analysis of the organisation based on the Charity Governance Code.	Dec 2020

Stakeholder one to ones	One to one discussions with various members of the Board and Union Council on what they think is and isn't currently effective, based on some key findings from the Charity Governance Code review.	Jan 2021
Draft	A full consultation on the final report with all participants to ensures it captures all feedback and action points.	Feb 2021
Board approval and dissemination	Board approval of the <i>governance development plan</i> , and formal dissemination to all stakeholders.	24 Feb 2021

### 3E. Staff Employment Review

#### Outputs

The key outputs for this project will be:

- i. Working with an external consultant, a report setting out the current strengths, weaknesses, opportunities and threats for the Union's current approach to the employment of staff in the form of a *staff and employment assessment report*.
- ii. Dependent on (i), a *staff and employment development plan* for any proposed changes for how the Union employs staff, looking at key issues such as T&Cs, payroll, HR capacity, TUPE and pensions.

#### Scope

The following key areas are considered in scope as part of this review:

- i. The recruitment and employment of permanent staff within the Union, including payroll management.
- ii. The recruitment and employment of casual staff within the Union, including payroll management.

#### Steering Group

Tom Flynn (Managing Director)

Graham Atkinson (External Consultant – subject to budget)

Abhijay Sood (President)

Ashley Cory (Systems Manager)

Officer Trustee (TBC)

Kate Owen (External Trustee)

Student Trustee (TBC)

#### Key Consultation Stakeholders

Board of Trustees

Union Staff

College Staff (particularly Senior Staff and HR)

Student Staff

#### Timeline & Suggested Stages

The exact timeline and precise plan for the project

Stage Description	Outputs	Date
Steering Group	To agree the process and timeline for the project, setting key deadlines, dates and possible objectives for an external consultant.  To consider draft reports and key findings.	Jan 2021
External consultant analysis	Desk-based and in-person research to understand the current strengths, weaknesses, opportunities and threats for the Union's current approach to the employment of staff.	
Workshop on report	An interactive workshop including both the steering group and key Union / College staff, looking at the options and possible routes.	

Draft	A full consultation on the final development plan with all participants to ensures it captures all feedback and action points.	
Board approval and dissemination	Board approval of the <i>staffing and employment development plan</i> , and associated action plan for implementation.	12 May 2021