

Operations Manager Report
A report by Robin Pitt

Phase 3 – Beit Masterplan

Since the last meeting of the Trustee Board significant progress has been made on Phase 3 of the Beit Masterplan. As discussed at that meeting, the removal of the column in the nightclub space has been a huge undertaking, as a result of this, along with the discovery of asbestos in this area, the completion of the new nightclub has been delayed until the 20th November. This has had a huge impact on commercial operations for the Union as well as a knock on effect to non-commercial users of the building owing to the amount of equipment decanted to other areas of the building.

The Union's new bar, FiveSixEight, was also delayed from its proposed opening time, due to a set of unreliable sub-contractors, who were commissioned to provide the concrete bar and bulkhead, as well as a delay in Thames Water decommissioning an unused fire hydrant and water main. This facility has now opened and is proving to be a huge success.

The light refurbishment to the Union Bar was completed in time for Welcome Week. As a result of the delays mentioned, the light works to the upper floors, central core and stairwells will now be completed during the Christmas Closure in an attempt to minimise disruption to building users.

These delays are disappointing, however it was always known that this was an extremely ambitious programme of works within the time frame but as we have seen with FiveSixEight, the facilities being created are of an extremely high standard and will assist the Union in building a strong commercial basis for the future.

Commercial Services

The Trading outlets in Beit Quad have been operating under some extremely difficult conditions over the Summer Period. With building works being conducted as part of Phase 3 of the Beit Masterplan, the bars and nightclub were out of action. However, a series of temporary bars were established across the Union Building and Quad. These bars out-performed our budgeted expectations and allowed us to cater for the BBC Proms trade, generating sales of £42,105 up to September against a budgeted figure of £14,000.

Following the opening of FiveSixEight on the 18th October, the bars in Beit Quad have been extremely busy, with Wednesday 20th October seeing the largest single bar take in the Union's history, £15,000. This was especially remarkable given that only two of the three bars were operating. This trend bodes well for the future of the Commercial Services department and a much needed upturn, following the Summer period.

The Catering department was extremely restricted in its output owing to the lack of kitchen space available, instead offering a barbeque throughout the Summer. This reduction in output is reflected in the year to date accounts. In addition to this lack of output, a planned and budgeted staffing restructure was unable to occur because of the current HR restrictions in place in the College as well as legalities surrounding the details of this planned action. This has resulted in higher than anticipated permanent staff costs and has clearly had a negative impact on financial performance in this area.

As with the bars in Beit, the Catering department has benefited from the opening of FiveSix Eight, with new kitchen facilities as well as a re-vitalised menu, catering been performing consistently well during the last two weeks of October.

The new Beit Conference Centre has performed extremely well, as we have managed to maintain our regular trade from school groups and other external customers. This department has achieved sales of £6904 up to September a positive variance of £3929 above budget and £13844 above the same

period last year. With improved kitchen facilities in the Union Dining Hall opening at the end of November it is anticipated that this improvement in trade will continue.

The Retail department have also had an extremely encouraging start to the year with sales up to September of £132,869, representing a positive variance of £21,238 above last year.

The President and I have been working with the Director of Property and Estates to investigate the possibility of acquiring the Blackwells Bookshop space on the Sherfield Walkway, with a view to opening a separate branded clothing store. This project, should it be viable will be enacted over the Easter Vacation period 2011.

Welcome Week (formerly Freshers' Week), despite not having the bar and nightclub facility was a huge success. With the Mingle Welcome Events being extremely well attended and well received. The standout achievement from the week, was the introduction of the Postgraduate Mingle, which attracted well over 1000 attendees.

Unfortunately, the lack of indoor space for events, required the use of a marquee in the Quad as in previous years. Despite working with the Council and local residents, we were issued with a Breach of Abatement Notice by Westminster Council during the Freshers' Ball. This issue is now being dealt with by the Union's licensing solicitors, Davenport Lyons. We have received letters of thanks and support from the local Neighbourhood Watch, the Principal of Queen Alexandra's House and the Knightsbridge Association. Early indications from the Environmental Health Officer and Davenport Lyons are that this issue will be resolved without court action.

Membership Services

The role of Representation Coordinator will concentrate on supporting the network of course, year, research group and departmental student representatives spread throughout the university. Much ground work has been achieved over the summer months, not least working out who the representatives are and which College staff members are involved in the system – nearly 500 students and around 160 College staff have been identified so far.

Student activities enjoyed a buoyant summer with around 30 tours and overseas trips taking place to locations as far afield as Barbados, El Salvador, Japan and China, together with a plethora of activities nearer to home including a Dramsoc début at the Edinburgh Fringe.

Freshers' Fair was once again an esteemed success, with thousands of students new and old attending. An hour was dedicated to sole attendance of postgraduates, as part of our ongoing commitment to enhance to participation of postgraduate students in our activities. On November 3rd the 10,000 barrier for sales of Club, Society & Project memberships was passed – something which last year occurred on 12th January. This represents an increase of sales of some 25% for September and October compared to last year.

Health & Safety

There have been no Health & Safety of note in the Union's Commercial outlets during the Summer Period and the contractors have reported no incidents within the building site. All Health & Safety inspections of the building work, carried out by College Estates have passed without issue.

The only incident of note in Student Activities, was a participant on a tour fracturing three vertebrae in their neck resulting from diving into a shallow swimming area. The individual felt fine at the time of the incident and did not attend hospital for nearly 36 hours for diagnosis; they were returned to the UK and are now fine.

Owing to the diverse range of uses of the Union Building by a variety of groups, we have again had problems with waste being left in un-suitable places, causing issues for the Fire Officer and for Fire Escape. In an attempt to rectify this situation, both Student Groups and Staff have been asked to

deposit all debris in a fenced area currently in the Quad awaiting a large collection this week. While this will not cure the situation permanently, it will hopefully go some way to alleviating it.

Staffing

Since the last meeting, the Union Head of Finance has left the employment of the College and the Union by mutual agreement. This process has been an extremely drawn out and difficult one for all involved, however it was felt necessary as the relationship between the Head of Finance and the rest of the Union Staff and Officer Team had irrecoverably broken down and was untenable.

In addition, after seven and half years service, Kristine Rajamanikam, the Union Functions Manager has also left the Union. I am sure you will join me in wishing both all the best in the future.

Finance

Following the departure of the Head of Finance, the President and I have been looking at how the Finance Operation of the Union should be structured moving forward. The current arrangement is for the College to provide a Head of Finance to lead the Union Finance Team, under the Service Level Agreement made in July. While in theory this situation has its merits, as we have seen over the past two years, there are a number of serious problems. It is crucial that the Head of Finance is acting in the best interests of the Union, having several different and times conflicting reporting lines has generated a number of boundary issues which make the situation untenable. In addition to this, the arrangement at present is extremely expensive and we believe it does not represent the best value for money.

Attached as an appendix to this report is a proposal from a finance consultancy, Counter Culture, who have extensive experience in providing Finance Director support and strategic finance advice and reporting for a number of charities and students' Unions (including King's College London, University College London and Liverpool Guild of Students). This proposal would provide the Union with high-level financial management on a part-time basis, with the current Union Finance Team continuing to deliver the day to day financial support.

As an independent company with vast experience, we believe that they should be able to give the Union the support and information that we require along with offering assurance to the College that the Union is complying with best financial practice.

In addition to the loss of the Head of Finance, the Union has recently undergone an internal audit from Deloitte. While this audit had some spectacular deficiencies, it has highlighted the need for a review and strengthening of our financial controls and procedures. The drafting and implementation of the procedures and controls is forming a body of currently being undertaken by the Deputy President (Finance & Services) and I. A further key benefit of opting for Counter Culture, is that alongside their experience of Students' Unions, the key staff who would be working with Imperial College Union, were formerly employed by PriceWaterhouseCoopers as auditors. Should we engage this company a key initial project would be to assist in reviewing and implementing our controls.

Charity Registration

Meetings have continued with the Director of Finance and Central Secretariat to progress the Union's registration with the Charities Commission. The College Legal Team are currently reviewing our status as part of the Institution. We anticipate meeting in early December to discuss their assessment. As part of an engagement with Counter Culture, it is anticipated that we will be able to draw on their extensive experience of Charity Registration and Charity accounting procedures. They have conducted similar processes for Liverpool Guild and King's College London in recent months.