

Minutes of the Imperial College Union
Finance & Risk Committee
17 March 2015
Room 6, 13.00

PRESENT:

Lay Trustee	Colin Kerr – Chair (CK)
Officer Trustee	Alex Savell (AS)
Student Trustee	Thomas Lim (TL)
Student Trustee	John Winters (JW)
President	Tom Wheeler (TW)
<u>Permanent Observers</u>	
Head of Finance	Malcolm Martin (MM)
Governance & Administration Manager – Clerk	Rebecca Coxhead (RC)

Apologies: Managing Director Joe Cooper (JC)

1. CHAIR’S BUSINESS

NOTED:

- 1) Apologies were received from the Managing Director.

2. DECLARATION OF CONFLICT

NOTED:

- a) TL declared that he is a CSP Treasurer and contributed to the Web Policy being presented.

3. MINUTES OF LAST MEETING – 16 DECEMBER 2014

NOTED:

- a) The minutes were passed as a true record of the meeting

RESOLVED:

- 1) To pass the minutes of the last meeting as a true record.**

4. MATTERS ARISING

NOTED:

- a) In regards to agenda item 8.1, Events Budgets, it was stated that this will be kept on the radar of the Finance and Risk Committee.
- b) The Reserves Policy will come to the next meeting of Finance and Risk Committee as this is part of developing a 10 year financial plan.
 - i. It was suggested that it needs to be thoughts about how to communicate the importance of Reserves to members.

5. HEALTH & SAFETY COMMITTEE MINUTES

RECEIVED: Minutes from the meeting of 17 February 2015

NOTED:

- a) The next meeting of the Health & Safety Committee will be working on Risk Assessments and what the Committees approach to them is.

- i. It was reminded the Finance and Risk Committee needs to ensure that 'Risk' is on the radar but their role is not to deal with the 'detail'.
- ii. It was queried as to why there is a 'banned list' of activity and not an 'approved list' and how does this fit in with the Unions Members aged less than 18 Policy.
- iii. The 'banned activity' needs to be reviewed as activity changes.
- iv. There is activity that takes place that the Union is not aware of, events such as DepSoc parties that are done in conjunction with the Faculty and not strictly Union events, which hold huge risk.
- v. AS stated that he will get an approach to High Risk Activity on the next Health & Safety agenda.

ACTION:

1. AS to include High Risk Activity on the next Health & Safety agenda.

- b) It was noted that a discussion on the risk register would be included on the agenda at the earliest suitable opportunity.
- c) The floor at Reynolds gets slippery when wet and has been brought to the attention of College.

RESOLVED:

1) To note the minutes of the Health & Safety Committee of 17 February 2015.

6. MONTH FIVE-SEVEN MANAGEMENT ACCOUNTS

RECEIVED: Month five and six were presented with a verbal update on month seven

NOTED:

- a) Month 5 overall income was done on budget but there were positives within the month such as a well-attended Winter Carnival.
- b) Month 6 did not make budget and there is phasing of income issue which has presented with income overall being down.
 - i. Debtor recovery fluctuates but MM is confident that this is not an area of concern.
 - ii. Charing Cross (CX) and HBar were down on income quite significantly.
 - iii. CX is experiencing increased staff costs with a decline in income. The decline in income potentially is due to a decision to discipline the ICSMSU Rugby Club for their behaviour.
 - iv. The budget for CX was ambitious but this was due to the expectation of the extra staff would increase sales.
 - v. There needs to be a consideration of what the risk appetite is in decrease in income against budget for CX. It was suggested that the Leadership Team should be discussing this and AS stated that he will take this to the next Leadership Team and report back to the next meeting of Finance and Risk Committee.

ACTION:

1. AS to take the discussion of commercial risk in regards to CX and report back to the next meeting of Finance and Risk Committee.

- c) Month 7 has shown an overall positive result and CX and HBar both hitting budget.
 - i. Central Services has delayed invoices for cleaning and photocopiers coming through.
 - ii. The variance on staffing in Governance and Administration is due to incorrect assumptions.
 - iii. Marketing has a decrease on income on advertising and the team is making concerted efforts to rectify this moving forward.
 - iv. South Kensington Bars has cost of sales adjustments which should have been accrued. There is a staff vacancy at present which is showing as a saving in staffing. Expenditure is greater in temp staffing and security which will continue throughout the year.

- v. Catering is doing well overall.
 - vi. Conferences is doing extremely well with thanks given to the Events Coordinator for stepping up due to staff absence.
 - vii. Door take is down in Ents but is part of the 'bar, ents, catering' package.
 - viii. The spending profile of CSP's is ok at present.
 - ix. The appointment of a new Student Activities Manager will level out the cost of staffing.
 - x. Vans are positive on bottom line with the contract with College using the vans for their shuttle service being extended until July. The resale value of the vans has dropped as College has been using them however this is offset by receiving income.
 - xi. Retail overall is positive. There has been some staffing changes where a contract was moved to become permanent to take on and build the online sales.
- d) MM stated that he will write a commentary and forward to Board for the month seven accounts.

RESOLVED:

- 1) To recommend that the Trustee Board pass the Management Accounts.**

7. FORECASTING

RECEIVED: The forecast was presented by MM

NOTED:

- a) January and February are the actual figures that were used in the construction of the Forecast and budget holders took a pessimist view overall.
- b) The forecast predicts a surplus of income minus expenditure of £16k which is £34k less than budget before the contingency is released. When the contingency is released, the result should be a positive variance to budget in the region of £40k.
- c) Contingency may be utilised which will mean that budget will be hit, with a surplus. If contingency isn't utilised, then budget will not be hit and will be in deficit.
 - i. Contingency is in the budget as a cushion on income pressures.
- d) Beit Venues are anticipating some customers, such as annual bookers not returning which is due to the licensing restrictions.
- e) The Committee accepted the presented forecast

RESOLVED:

- 1) To accept the presented forecast.**

8. EVENT BUDGET APPROVAL

RECEIVED: The Report was presented by AS

NOTED:

- a) The process of Officer Trustee and staff meeting to discuss and approve budgets between £10-50K and then reporting to Finance and Risk Committee is working very well albeit slightly time consuming.
 - i. It is a good service to CSP's as they are having to wait for decisions.
 - ii. There are a few instances where budgets are being triggered by PO's being captured at the approval process – CSP's not aware that they were required to create a budget.
- b) It was requested that a report for events over £10k be requested from the CSP's after the event.

9. H BAR YEAR 1 REVIEW

RECEIVED: The report was presented by MM

NOTED:

- a) It has been the trend that half of the weekly income is coming in on one night of trading.
- b) It was been acknowledged that the logistics and the environment do impact on the H Bar experience.
 - i. Licensing restrictions control a lot of what can be done with the space such as not having the entrance in Sherfield building.
- c) There is risk surrounding the agreement with College has not been formalised in a contract.
 - i. There is a reputational risk if the Union pulls out of the agreement as this will affect the relationship it has with College.
 - ii. There is also reputational risk with the Union being associated with a poorly performing outlet.
- d) Understanding the client base is a body of work as PGT and PGR students, as well as staff have different expectations.
- e) There is concern about income stream and mid to long term viability of continuing the agreement to deliver the bar trade in H Bar.
- f) The Finance and Risk Committee noted the issues presented and requested and update.

10. SUMMER BALL UPDATE

RECEIVED: The report was presented by MM

NOTED:

- a) Ticket sales are positive at present and are up on last years sales for this time.
- b) 2 funfair rides have been booked but if ticket sales hit target, a third will be booked.
- c) May 1 will have a large promotional push with a teaser event taking place.
- d) It has not yet been decided if H Bar will be opened for the event.
- e) There is a risk with people bringin fake weapons due to the theme of the ball being James Bond.
 - i. There is a challenge for marketing around the theme as do not want to breach copy write.

11. WEB POLICY

RECEIVED: The policy was presented by AS

NOTED:

- a) The reason the policy has come to Finance and Risk Committee is due to the operational risk associated with it. An online conduct policy will be taken to Clubs, Societies & Project Board.
- b) The appendix will be populated over time.
- c) There has been some consultation with the students when drafting the policy.
- d) Concern was raised with the amount of operational tasks that the Deputy President (Finance & Services) is taking on in the policy.
- e) The Finance and Risk Committee were asked to feedback any comments to AS over the next 7 days and AS will notify the Committee if he makes any changes to the policy, otherwise it will be taken to Board for approval.

RESOLVED:

- 1) To recommend to Board to pass the Web Policy.**

12. CLUBS, SOCIETIES AND PROJECTS FUNDING PROPOSAL

RECEIVED: The paper was presented by AS

NOTED:

- a) Currently, the Union gives indicative figures to CSP's for budgeting before the Union's budgeting process occurs.
- b) There is a mismatch of the timings however the third term would be quite challenging for students to undertake the budgeting process in its current form as it is extremely time intensive and many students have academic commitments in the third term.
- c) The committee passed the paper.
- d) It is proposed that support is given to a pre-depreciation indicative funding allocation of £332,000 towards Clubs, Societies & Projects for the 2014/15 financial year.

RESOLVED:

- 1) To give to a pre-depreciation indicative funding allocation of £332,000 towards Clubs, Societies & Projects for the 2014/15 financial year.**

Meeting closed 17.30