

**Imperial College Union
Annual Budgeting Policy
Clubs, Societies, and Projects Board / 12th January 2023**

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Purpose: To review and update the annual budgeting policy.

Decision: To approve the policy.

1. Introduction

Funds allocated to Clubs, Societies, and Projects (CSPs) in the form of Union grant are essential to the student experience at Imperial. CSPs are the heartbeat of student communities at Imperial, where many of them find a voice, develop personal and professional skills, and where thousands of students have fun away from their studies. CSPs are enablers of strong democracy within the Union, where strong student leaders should be empowered to change the world around them.

All CSPs, whether applying for grant or not, must complete a budget for the next academic year. These are seen as essential for the CSP to predict their costs for the following year, to then be used as a working document by the next committee to prevent going into debt. A budget should outline all expected expenditure and income; not make a loss; and not make a surplus of profits.

The CSP Grant exists to subsidise the costs of core activities for current student members, not to fully fund it. The remaining costs are covered by income such as membership, sponsorship, and other fundraising. CSPs are required to be honest (see CSP policy). Any CSPs that lie on their budget will face disciplinary procedures.

As required by the 1994 Education Act, Part II Section 22.2.i, this sets out the “procedure for allocating resources to groups or clubs should be fair and should be set down in writing and freely accessible to all students”. The committee aims to allocate grant as fairly as possible using the guidelines in this policy to do so. Decisions enforced by this policy, and the policy itself, may be amended by 2/3 majority of the members present at a meeting of CSPB.

It is noted that the CSP budgeting occurs before Union budgeting, and as such, all decisions made by CSPB through this process are subject to amendment by the Board of Trustees.

2. Budgeting Phases

Annual Budgeting follows a general structure which should occur within the second term of the undergraduate academic year. For CSPs, this is shown in Image 1. A specific annual timeline must be passed by CSPB each academic year before the end of the first term.



Image 1: CSP Annual Budgeting General Timeline

A provisional grant allocation value will be approved by the Finance, Audit, and Risk (FAR) Committee of the Board of Trustees in Union Budgeting for the academic year.

Following resolution at CSPB, any scaling required should be issued and provisional grant allocations released (Section 2.1). An appeals process should occur following this (Section 2.4). The Board of Trustees will sign off the total CSP grant allocation at the June meeting as part of the overall Union budget for the next academic year.

2.1 Scaling

If the total grant amount allocated by CSPB at the resolutions meeting is higher than the provisional grant allocation from the Board of Trustees, scaling will be applied to grant allocations to meet the lower figure. CSPB will be notified of this before final allocations are distributed.

If the total grant amount allocated by CSPB after resolution is lower than the grant allocation from the Board of Trustees, the remaining value will be distributed into the Activities Development Fund (ADF).

2.2 Appeals

CSPs will have the opportunity to appeal the grant allocations if they feel they have been treated unfairly during this process. Grounds for appeal include but are not limited to administrative error or unjust processes. Grounds do not include lack of information initially provided by the CSP, or misrepresentation of funds by the CSP. Appeals will be processed by the DPCS, DPFS, and Student Activities Team; CSPB will be notified of decisions before final allocations are announced.

2.3 Management Group 2 Allocations

Secondary Management Groups (MG2) should be allocated to CSPs before budgeting begins. When allocating MG2, efforts should be made to ensure members of budgeting have equitable number of total budgets to review over MG1 and MG2.

3. Key Decisions & Priorities for Grant Allocation

3.1 CSP Aims & Objectives

Core activities that request grant funding must be in line with the “Aims & Objectives” (A&Os) of the CSP requesting the funds. Each CSP’s A&Os are stated in their constitution. If a club does not have a constitution or current A&Os, then they are not able to receive grant through this process.

3.2 General Funding Principles

Budgets and appeals will be discussed according to the principles below – which are aimed to provide a common language and framework. The priorities are ranked in the following order:

- *Need*: funding allocated based on a club needing the funds to run core activity.
- *Reach*: funding allocated based on the number of Imperial students reached.
- *Priority*: funding allocated based on the activity being particularly important as part of the society’s activity.
- *Merit*: funding allocated based on it providing a unique aspect of the student experience.
- *Context*: In the context of ICUs total grant and the bigger picture of a CSP’s request, is this the most effective use of the money?
- *Effort*: funding allocated based on the time put into an application and activity by organisers.

3.3 Specific Funding Principles

- a *Affiliation costs*: Affiliations costs are only grant fundable if they are required for the core activity and/or give a significant level of support to the group
- b *Competition entry fees*: Regular national competitions (such as British Universities and Colleges Sport) will be prioritised over other competitions within an individual CSP budget if it is unfeasible to subsidise all requested.
- c *Competition transport*: Competition transport will only be grant funded for regular national competitions. Transport should be by the cost-effective and most sustainable option available.
- d *Fines*: Fines are **not** eligible to be paid through grant and must be paid from a CSP’s SGI.
- e *Food & drink*: Food and drink should be coded under “Hospitality” and will only be funded where consumption of food and drink explicitly falls into the core aims and objectives of the CSP. For example, this may include Cultural CSPs where food or drink is a significant part of cultural celebrations. Alcoholic drink is **not** eligible for grant.
- f *Funding for individual society members*: Grant requests aimed at subsidising activities of an individual member will only be funded in the case that the funds directly benefit the club as a whole, such as a first aid training or coaching qualification. A maximum of half the cost will be eligible for subsidy by grant. The member must be a full member of the Union to be eligible.

- g *Health & safety expenditure*: Health and Safety Equipment & Training costs shall be considered and coded under the 'Equipment & Instructors' category and will be allocated subsidy in-line with the category.
- h *Maximum level of grant to a CSP*: Grant will be provided up to the value of two times the expected membership income per head, unless strong justification is made for an exemption. CSPs whose total grant request exceeds £50 per expected member should provide strong justification for why this is necessary.
- i *Membership cost*: A CSP must have a minimum membership cost, stipulated by CSPB at the start of the budgeting round, to be eligible to receive grant. Management Groups, Constituent Unions, and departmental societies are exempt from this rule.
- j *Minimum level of grant to a CSP*: Historically, some CSPs have had a final allocation of <£1 of grant per member. This is a questionable use of resources, and CSPB will stipulate a lower bound of grant receivable by a CSP as £3 per member.
- k *Printing & publicity*: Core CSP printing should be coded under "Printing Costs"; this may include rehearsal or performance materials, maps and charts, or exam materials. Publicity costs are **not** eligible for grant.
- l *Referees and Officials*: Costs for referees and officials can be considered for grant. They will be prioritised for main competitions over other events during allocation.
- m *Self-generated income (SGI)*: CSPs will be required to provide justification for receiving grant if their SGI exceeds £10,000 at the time of budgeting or exceeds their average expenditure over the previous three years. These values will be based on balance at time of budgeting; closing balance at the end of the previous academic year; and examination of the CSPs finances over a 5-year period. Reasonable explanations include where SGI funds are for a specific item, or expenditure that cannot occur within a single academic year.
- n *Sponsorship & College funding*: CSPs expecting to receive more than 25% of their annual income from sponsorship, donations, and College funding (including departmental) should provide strong justification for their continued requirement for Union Grant. Failure to declare expected sponsorship or College Funding during the budgeting process will be considered as deceit by CSPB. This will negatively impact the funding of said CSP in future, as noted in Section 3.4.
- o *Travel subsidy*: Travel subsidy for core activities will be considered for grant allocation.

3.4 Club Conduct

If deliberate deceit is discovered during the budgeting process, the committee can escalate the issue to the Student Activities Team (SAT). This can be done either by majority vote or unilateral decision by either DPFS or DPCS. CSPB can make recommended outcomes to SAT. The outcome will be communicated to the CSP in question by the SAT and can be appealed through the standard Strike Appeals process. CSPs are welcome to seek assistance from members of CSPB in supporting their appeal. Should the appeal be successful, ICU will transfer the CSPs case to the budgeting appeals section.

An outcome of a CSP disciplinary procedure or Budgeting deceit can be to reduce a CSP's grant allocation to £0. Please view the strike policy for information on disciplinary action that CSPs can incur.

Submitted budgets will be judged against previous year's expenditure. It is noted that it is against CSP Policy to run funds through external bank accounts (see CSP policy), and groups will be penalised in accordance with Union disciplinary procedures if found to be using an external bank account.

Once allocated, Grant must only be spent on the categories it is allocated to. Contravening this will be considered deceit by CSPB. This will negatively impact the funding of said CSP in future.