

**Imperial College Union  
Board of Trustees / 24 February 2021**

**Financial Model Update**

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Strategic Plan Steering Group

Purpose: To update Board on our progress regarding the development of a new financial model for the Union.

### **1. Context**

The terms of reference for the Strategic Plan Steering Group, as approved by Board, includes the requirement to develop and agree a new financial model for the Union with the College – with the specific remit to reduce our reliance on commercial income to fund our core services.

There have been three strands to this work:

- i. We have begun to develop the detail of the model (led by Rob Scully), setting out the key principles in a diagrammatic format that makes it easy to understand and follow.
- ii. We have commenced discussions with the College's senior management team on the key principles (led by Tom Flynn – slides attached). There is now broad agreement that the College is likely to support our move towards this model, and that this will require additional funding in order to do so.
- iii. We have raised the issue at a governance level (led by Jill Finney) within the College at the most recent Audit & Risk Committee, where again there was broad support for this change.

### **2. Next Steps**

It is now clear that the Steering Group will need to progress two major pieces of work:

#### Financial Model: Developing the Full Business Case

We now need to convert our discussions and consultation documents into a clear business case, that sets out the full rationale for this move and an estimated level of additional revenue funding that would be required by the Union for the 2021/22 academic year.

We will need to build a budget model that starts from previous 'business as usual years' and adjust it on the basis of what we know we are likely to build back, and what we know are savings that we can take forward.

The Steering Group will consider a draft of this budget model and full business case in late March. We will then commence a consultation with key contacts in the College to secure support and discuss possible duplication (Richard Martin – Dir Academic Services, Jane Neary – Dir Campus Services, Tony Lawrence – Dir Finance, and Emma McCoy – VP Education & Student Experience), before presenting a full case to the group that also includes the CFO and Provost. This is likely to be in May 2021.

#### Strategic Partnership: A New Memorandum of Cooperation

The second key element of work will be the development and agreement of a new Memorandum of Cooperation between the College and the Union that both clarifies and codifies our strategic relationship. This project was initiated by Graham Atkinson but was paused as we undertook work

around our strategy and financial model. The intention is to revisit this in May (Abhijay and Tom Flynn leading) with Richard Martin, to ensure major elements are completed and agreed before the end of this academic year.