

**Imperial College Union
Finance, Audit & Risk Subcommittee / 22 March 2023**

Student Group Funding Policy

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- Purpose: This paper proposes a new policy for the allocation of grants to student groups.
- Action(s): To approve the Student Group Funding Regulations.

1. Context

ICU allocates over £400k directly to (over 350) student groups annually to help support their activities. This is a substantial level of grant funding, and likely to be the highest in the sector. Whilst this is a valued source of support for our groups, it does create an administrative challenge and increase the risk associated with hundreds of student groups enjoying autonomy over their budgets.

In order to manage any risk associated with the use of funds, student groups are required to comply with our financial policies and procedures. These policies do not currently include the allocation of funds to groups.

There is a requirement under the Education Act 1994 that:

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.

This is a requirement of the Imperial College London Council, but we share responsibility through our Code of Practice¹.

Currently, there is policy set by the Clubs, Societies and Projects Board (CSPB) on the process for the allocation of grant to student groups, however this covers some matters which are the purview of Trustees, and some which are much more operational. There is also a question around the ability of CSPB to make policy decisions that may impact individual groups rather than all groups – particularly given that the majority of CSPB members are leaders of specific student groups who have access to group funding.

In March 2022, the Finance, Audit & Risk Subcommittee (FAR) approved a revised approach to financial policies, regulations and procedures, which makes clearer the responsibility of different groups in approving and managing the responsibilities around financial management. For the avoidance of doubt, the proposal is for a set of regulations which guide the operationalising of allocating funds to groups.

The Finance, Audit and Risk Subcommittee has also asked the Director of Finance & Resources to clarify the relative responsibilities of CSPB and FAR in respect of policy setting around the management of funds outside the annual budget round (such as the Activities Development Fund),

At its meeting on 15 February 2023, the Board of Trustees approved the following principles to guide a policy on student group funding:

¹ [https://www.imperialcollegeunion.org/sites/default/files/ICU%20and%20ICL%20Code%20of%20Practice%20\(Nov%202021\).pdf](https://www.imperialcollegeunion.org/sites/default/files/ICU%20and%20ICL%20Code%20of%20Practice%20(Nov%202021).pdf)

- i. All groups should go through, and have equal access to the same process (with a slight difference for Management Committees and Constituent Unions who sit above CPSs in the hierarchy)
- ii. All groups will receive the same communication in relation to the process of applying for grant
- iii. It will be made clear to all groups how decisions are to be made and by whom

There has been particular interest in this topic at CSPB in recent months, and the topic of 'ringfencing' has been much debated. Ringfencing refers to the exclusion from the 'scaling' process of part or all of a particular budget.

The policy proposed does not seek to codify the use of 'ringfencing' per se. Instead it sets out the principles by which decisions of this nature may be taken:

- i. Any process should apply to all groups equally
- ii. Individuals are required to declare potential conflicts of interest and remove themselves from votes where a group they are active in is being considered
- iii. Any decision which creates a rule of exemption for a specific group, or collection of groups should be made by FAR

For example, if the process was created such that no grant request under £200 would be scaled, this could be approved by CSPB as part of their responsibility in agreeing the process, given that it would apply to all groups equally. However, a decision to exempt a particular group from scaling would need to be approved by FAR.

2. Recommendation

The Finance, Audit & Risk Subcommittee is recommended to approve:

- i. The Student Group Funding Policy
- ii. That the following will not be considered Student Groups for the purposes of the policy (until such time as Trustees determine otherwise):
 - a. Recognised student campaigns
 - b. Liberation and Community Networks
 - c. Halls of Residences

Imperial College Union

Student Group Funding Policy

1 Responsibilities

- 1.1 The Finance, Audit, & Risk Subcommittee of Trustees approve and own this policy, approve the overall approach to allocation of grants to student groups, and set the provisional total level of grant funding, on behalf of the Board of Trustees.
- 1.2 The Board of Trustees approve the final level of grant funding through the annual budget.
- 1.3 The Finance, Audit, & Risk Subcommittee will periodically monitor the actual levels of grant allocated to specific student groups as well as the overall effectiveness of this policy.
- 1.4 The Director of Membership Services, with the Deputy President Finance & Services and Deputy President Clubs & Societies, is responsible for the operational implementation of this policy, including ensuring that it is accessible to staff and that appropriate training and guidance is available for those who is affects.
- 1.5 CSPB is responsible for the oversight of the annual budgeting process and for ensuring it complies with this policy.
- 1.6 All individuals involved in the process of allocating grants are responsible for ensuring that any potential conflicts of interest are declared and that they remove themselves for decisions where they, or a group of which they are an active member or leader, stand to benefit.

2 Definitions

- 2.1 Student Groups – for the purposes of this policy, a Student Group is a group led by members of ICU, with its own membership that is recognised as having particular rights by ICU. In particular, any group that has access to apply for funding from ICU, utilises ICU administration for their activities or otherwise associates itself with ICU shall be considered a Student Group, unless deemed otherwise by the Board of Trustees or the Finance, Audit, & Risk Subcommittee.
- 2.2 Grant Funding – any funding allocated by ICU to a Student Group.
- 2.3 College Funding – any funding (in the form of a grant) received directly by a group from Imperial College (or a subsidiary or trust controlled by the College).
- 2.4 SGI (Self-Generated Income) – income generated by a student group other than Grant Funding or College Funding.
- 2.5 ADF (Activities Development Fund) – a designated fund held by ICU for the purposes of supporting student group activity. Any allocation of ADF to a group constitutes Group Funding.
- 2.6 CSPB (Clubs, Societies and Projects Board) – the democratic body as constituted by the Standing Orders of Union Council Appendix B.

3 Annual Budgeting Process

- 3.1 The majority of Grant Funding is allocated to Student Groups via an annual budgeting process whereby groups plan their activity for the forthcoming year and request a grant to support this.
- 3.2 The total amount of Grant Funding will be approved by the Board of Trustees as part of the ICU budget.

- 3.3 A provisional total amount of Grant Funding may be suggested by the Managing Director in order to support the consideration of grant requests prior to the approval of the ICU budget.
- 3.4 The specific process and timeline for the Annual Budgeting Process will be approved by CSPB and ensure that:
- 3.4.1 The process is in line with this policy.
 - 3.4.2 All Student Groups have access to and are informed of the process.
 - 3.4.3 The process is published online and accessible to all members, and clearly states what grant can and cannot be requested for, and on what basis requests will be assessed.
 - 3.4.4 The process includes peer review, whereby each grant request is reviewed by an independent Student Group.
 - 3.4.5 The process does not allow for any particular group(s) to receive preferential treatment or exemption from process, unless otherwise allowed by this policy or with the approval of the Finance, Audit, & Risk Subcommittee.
 - 3.4.6 Student Groups have the ability to appeal their grant allocation on the basis of unfair treatment or administrative error. Appeals will be considered by the Deputy President Finance & Services, Deputy President Clubs & Societies and a delegate of the Director of Membership Services.
 - 3.4.7 It is clear that any allocation of funds remains provisional until the total amount of Grant Funding is approved by the Board of Trustees.
- 3.5 Provision grant levels may need to be scaled (reduced by a proportion) in order to fit within the total amount approved by the Board of Trustees. In this case, the magnitude of scaling shall apply equally to all groups, unless otherwise allowed by this policy or with the approval of the Finance, Audit, & Risk Subcommittee.

4 Annual Budgeting Principles

- 4.1 Grant Funding is given to subsidise core activities of Student Groups, as in line with the Aims & Objectives in the Student Group's Constitution.
- 4.2 Grant Funding should benefit the whole membership of the Student Group.
- 4.2.1 Funding for individual Student Group members is permitted so long as it benefits the club as a whole, and the member is a Full Member of ICU (for example, first aid training or coaching qualification).
- 4.3 Student Groups must meet the following criteria to access Grant Funding:
- 4.3.1 A minimum membership number of 20.
 - 4.3.2 A minimum membership fee (as set by CSPB), with the exception of Management Groups, Constituent Unions, and Departmental Societies.
 - 4.3.3 Sufficient justification for excessive reserves of SGI, annual income largely funded by College Funding, and/or annual income largely from Sponsorships or Donations.
- 4.4 Grant Funding cannot be provided for use in charitable donations.
- 4.5 Once allocated, Grant Funding must only be spent on the items and principles it was allocated for.
- 4.6 Additional principles can be proposed by CSPB, DPCS, DPFS, or Director of Membership Services, and approved by Finance, Audit, & Risk Subcommittee.

5 Management Groups and Constituent Unions

- 5.1 All clubs, societies and projects belong to a Management Group (MG) or Constituent Union (CU) (which operates as Management Groups for the purposes of Student Group Funding).
- 5.2 MGs and CUs are Student Groups for the purposes of this policy.
- 5.3 Management Groups and Constituent Unions do not belong to an MG or CU and therefore may not be able to follow precisely the same process as other Student Groups. Where this is the case, the process may be adjusted for these groups as long as adjustments comply with this policy.

6 Other Funding Allocations

- 6.1 Any Grant Funding decisions made outside the annual budgeting process must follow a process that is:
 - 6.1.1 In line with the policy.
 - 6.1.2 Published is online and accessible to all members, and clearly states what grant can and cannot be requested for, and on what basis requests will be assessed.
 - 6.1.3 Accessible to all Student Groups on a fair basis.
 - 6.1.4 Approved by the Deputy President Finance & Services, Deputy President Clubs & Societies and the Director of Membership Services.
 - 6.1.5 Within a budget approved by the Board of Trustees.
- 6.2 Any allocation of funds from the ADF, or another designated fund, shall only be made within any budget or parameters agreed by Trustees (for example subject to particular limits or for a fund not to drop below a certain level).

7 Designation of Funds

- 7.1 The decision to designate any funds must be made by the Board of Trustees, in accordance with the ICU Funds & Reserves Policy. This is not something that can be mandated by CSPB or any other body.