

Clubs, Societies & Projects Annual Budgeting

Full Review & Recommendations

DRAFT

as of 15 January 2025

1 Introduction

Imperial College Union (ICU) believes that supporting clubs, societies and projects (CSPs) financially to conduct their core activity is core to us fulfilling our mission and vision. The Annual Budgeting Policy provides rules and a process by which ICU provides funding to CSPs. The process has evolved significantly over the past decades in order to keep up with an ever-increasing number of CSPs and ever-increasing financial burdens, but despite this many agree that the process is no longer fit for purpose.

This paper explores the issues with the current process, an evaluation of other processes and recommendations for changes to the annual budgeting process.

The scope of this review is wide, encompassing a full review of the budgeting process, the grant allocations principles and staff/student resource. The review will also look at any required governance changes and compliance with finance and charity law.

2 Research

A research phase consisting of feedback from key stakeholders, and an analysis of the current process, was conducted. Each key stakeholder was engaged thorough a mixture of surveys, in-person focus-groups and interviews.

The key stakeholders and their engagement methods were:

Table 1 - Stakeholder engagement methods

Stakeholder	Engagement Method
Clubs, Societies & Projects Board	Focus-groups (and some interviews)
DPCS & DPFS	Interviews and focus-group
Student Activities Team	
Imperial College Finance	Interview
ICU Finance & Systems	Interview

The stakeholder engagement focus-groups and surveys aimed to identify:

- Key issues and opportunities with the current process
- Identification of key measures for a “good budgeting process”
- Sharing of good practice.

The interviews focused on specific insight and expertise relevant to the persons being interviewed.

In addition to the stakeholder engagement, a literature review of key students’ unions in the sector, and some similar bodies in the charity and higher education sectors, was conducted. This review aimed to summarise key policies and procedures, identify differences in budgeting processes and evaluate different processes based upon the key measures identified in the stakeholder engagement.

The literature review was then followed by an evaluation of key principles under each key measure. This evaluation informed the final options appraisal.

2.1 Current process

The current process is governed by the CSP Annual Budgeting Policy, which outlines the principles for allocating grant and making a budget, and the Student Group Funding Policy, which details more general principles to ensure that we comply with legislation, regulation, and policy.

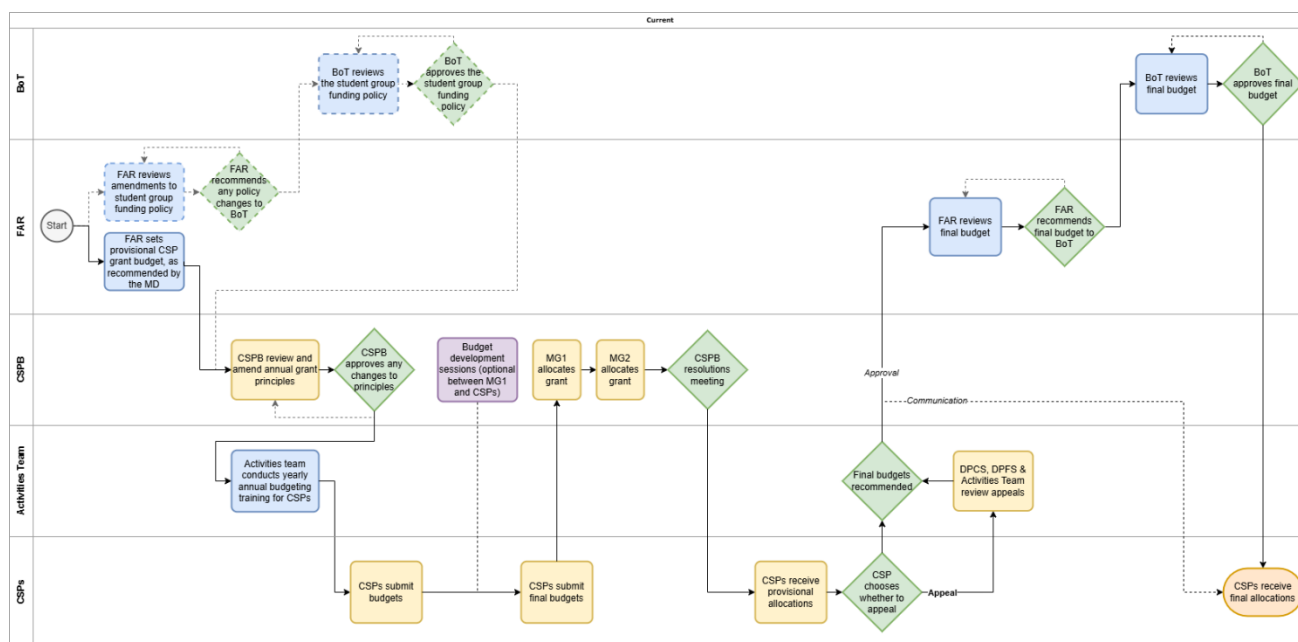


Figure 1 - Process map of current annual budgeting process

The current process is outlined in Figure 1. The diagram shows 5 swim lanes, referencing the 5 main groups of people involved in budgeting. They are:

- The Board of Trustees (BoT) — the trustee board of the Union, responsible for approving the final Union budget.
- Finance, Audit & Risk Committee (FAR) — the finance committee of the Union, responsible for scrutinising the budgeting process, recommending final budgets, and overseeing Union policy related to funding.
- Clubs, Societies & Projects Board (CSPB) — the student board (a sub-committee of Union Council) responsible for overseeing the provision and development of student activity, as well as allocating CSP funding in line with principles that they set.
- Activities Team — the staff team responsible for overseeing all CSP activity, including providing training and support to all CSPs regarding budgeting, as well as being the experts on CSP activity.
- CSPs — the student-led groups who are budgeting.

In the current process, BoT, FAR, and CSPB play a governance-related role, with CSPB playing the major operational role alongside the Activities Team.

The key phases in the process are the MG1, MG2 and Resolutions phases, shown in the CSPB lane of the diagram above. These are the stages in which CSPB members allocate funding and agree on final funding amounts for all CSPs. This process can regularly take multiple days, exceeding 30 hours in total.

Key document: [CSP Annual Budgeting Policy](#)

2.2 CSPB consultation (November 2024)

CSPB was consulted for feedback on the current process. The feedback session considered three questions:

- What are your thoughts on the current process?
- What are the key metrics by which to measure a “good” budgeting process?
- Share any ideas/knowledge from other processes and “good practice”.

This feedback on the current process, and good practice, formed 5 main themes, summarised in Table 2 below.

Table 2 - CSPB feedback on current process (thematised)

Theme	Issue
Transparency	Need for clearer communication on scaling
	Not transparent for CSP leaders
	Many committees don't know how much they can apply for or think they can't go over a cap without consequences
	Policy not applied evenly, and thoughts change mid-meeting
	Transparency of the CSPB meetings
	Transparency in scaling is not good
	Keeps changing every year - inconsistent and forces people to re-learn processes
Process	No clear criteria for contested allocations
	Clarity over policy on hospitality/support (e.g., VegSoc, TeaSoc)
	CSPB approval needs review - MG1/2 "ping-pong"
	Burden of proof should be on CSP not MGs
	Proof of need - needs to be more robust
	Allocate per member (i.e., bigger CSPs get more money according to membership)
	Need to consider all funding sources available to groups - balance
	CSPs receive different allocations each year despite the same budget
	Reliance on outgoing committee
	Spending up to end of year but budgeting is done in Jan
	Very early on with little flexibility to change later
	People don't understand what they're reviewing
	No consistency in decisions year on year
	MG2 review ineffective
Appeals	Appeals process not fit for purpose
	Inadequate appeals process
Scaling	Reduction only based on valid reason - avoid scaling
	Scaling leads to budgets being written with scaling in mind/taken into account
Time/ Resources	Too labour heavy on volunteers compounded by not everyone pulling their weight
	Takes too long

Based upon the feedback provided by CSPB and the Student Activities Team, the following five key metrics were identified. Each was broken down into their key elements.

Compliance

- Charity law.
- Financial regulations.
- Consider the Equalities Act / preventing discrimination.
- Insurance requirements.
- Imperial policies and procedures
- Sustainability.
- Conflicts of interest.

Equity

- Identical activity should lead to identical grant allocated per member.
- Equal opportunities to apply.
- Minimise unconscious bias / unbiased assessment of grant applications.
- Promote inclusivity.
- Promote integrity.
- Consider the Equalities Act / preventing discrimination.
- Equity of support provided to CSP committees.
- Monitoring and evaluation of outcomes.

Transparency

- Transparency of the assessment process and policy.
- Public reporting of outcomes.
- Effective communication to CSP committees.

Efficiency

- Minimising student and staff time required.
- Minimising resource required.
- Maximising grant utilisation.
- Maximising grant efficacy.
- Monitoring and evaluation of outcomes.

Financial accuracy

- Evaluating how effectively budgets match actual yearly spends.
- Monitoring and evaluation of outcomes.

2.3 Sector review

Throughout the wider SU sector, the processes used to budget for societies and allocate grant are vastly different.

Key SUs in the sector were identified and the table below details their processes alongside an evaluation of their process against our five key criteria. Through the Sector Analysis Phase, several key streams for consideration of our own policy and procedure have been identified, as well as some further options.

Key streams:

- Level of staff-student control
- Timeframes (spring vs summer)
- Level of specificity in grant allocations (quantitative vs qualitative principles)

Further considerations:

- Scope of grant eligibility

Some SUs, such as RHUL SU and UCLSU, have a high level of staff-control in their budgeting procedures (regardless of the procedures themselves). Other SUs, namely ICU, delegate almost all decision making to students, with only staff oversight until the appeals and board approvals stages. Most SUs exist somewhere between both models.

Higher staff control is linked to increased **compliance** and **financial accuracy**, whereas higher student control is often linked to increased **transparency**.

With regard to **equity**, those policies with a balance between student and staff input are most equitable, as student input can be more specific and detailed than staff input due to their proximity with CSPs, but staff input can ensure that an overview of all allocations is kept.



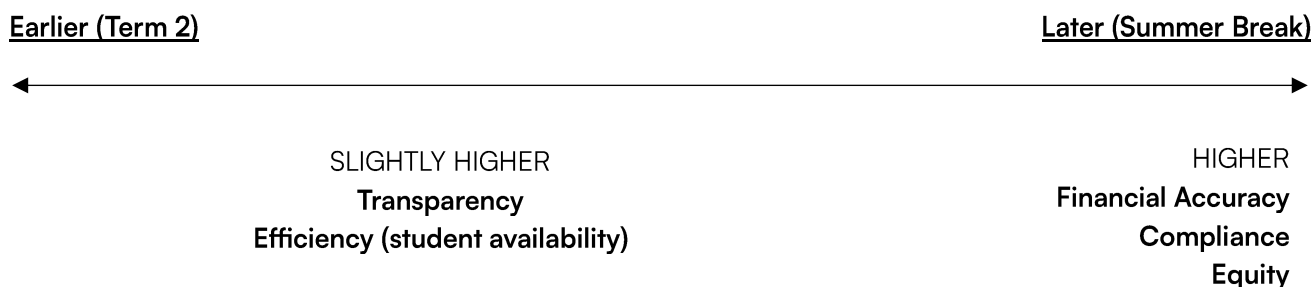
From the point of view of both staff and students, the process becomes “more **efficient**” when the other party leads the process, as the perceived amount of time taken is lower. On the whole, however, there are usually increases to **efficiency** with higher staff control, but to the detriment of **transparency**.

ACTION: Consider in options appraisal.

A number of SUs, such as UCLSU, carry out their entire yearly-budgeting procedure over the summer break. This allows budgets to be highly **financially accurate** and improves the **equity** of the process due to the availability of end of year accounts.

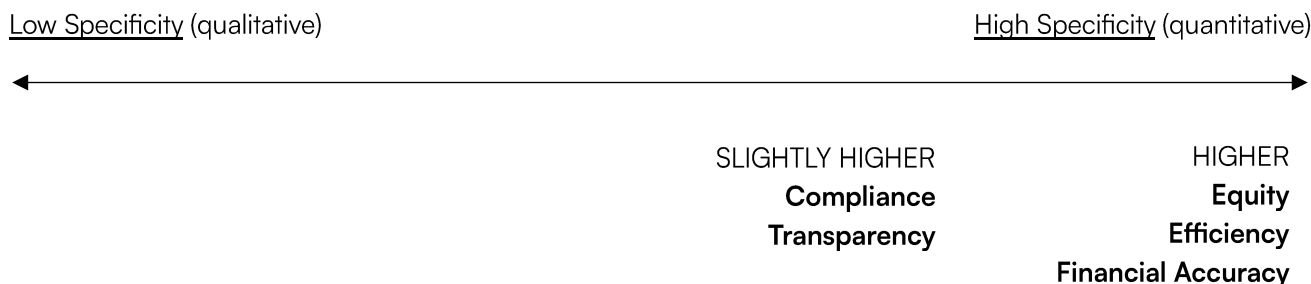
ICU, on the other hand, conducts its budgeting process from January to March (with staff elements until July) of the academic year prior to the year being budgeted for. This is before staff department budgets are completed. Historically, this is done to improve **transparency** and accountability due to students having low availability over

the summer term and the unfairness of a summer holiday budgeting period involving a high number of students. Thus, this is inherently linked to the level of staff-student control.



ACTION: Consider in options appraisal.

ICU operates an almost entirely qualitative grant allocation process, with the only quantitative principles being focused on total allocations, minimum memberships or total reserves, with no specific principles for core grant allocation. As such, CSPB will agree on more detailed principles during their resolution meetings in attempt to ensure that grant allocations are **equitable** between CSPs. Unfortunately, due to the sheer number of budgets, and the fact that MG1 and MG2 conduct allocations before these principles are agreed, many grant allocations are not **equitable** after this process. Highly qualitative principles (i.e. not specific) lead to lower **equitability**, **efficiency** and **financial accuracy**. They are, however, often easier to understand and thus more **transparent**, and also provide the opportunity for exceptional cases to be argued by CSPs and CSPB.



ACTION: Consider in options appraisal.

UCLSU and LUSU, amongst others, take a radical approach with regard to which societies are eligible for regular yearly grant. Only sports clubs and some arts societies receive a pre-determined (often fully by staff) amount to subsidise their activities. All other societies are expected to be self-sufficient, but can apply for funding opportunities throughout the year for new/developing activity (akin to ICU's Activities Development Fund). The SUs which follow this procedure justify it by the fact that these societies have regular core activity which is very expensive and members of these groups still pay more than other societies despite subsidies. Having a different process for different types of student groups improves **transparency** as it is clearer who is eligible for what and improves **efficiency** by reducing the workload for all staff and students. However, in our opinion, it reduces **equity**, as it does not present an equal opportunity for all, and reduces **compliance** with the Education Act.

On the other hand, ICU provides the opportunity for every CSP to receive a regular yearly grant allocation regardless of the nature of their activity. The only requirement is to have a minimum membership fee and membership target, which also determines their maximum grant allocation.

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 Imperial College Council, but we share responsibility through our Code of Practice.

It could be argued that not allowing all CSPs to access annual grant, like at UCLSU, conflicts with this requirement, but it could equally be argued that their policy is a fair allocation of resources.

ACTION: Disregard — ICU's values and our interpretation of our legal requirement leads us to believe that we should provide the opportunity for all CSPs to receive regular annual grant (subject to policy).

3 Development (November-December 2024)

Several initial options were considered. These initial options considered the key streams highlighted in the sector analysis. Each option was a unique combination of one or more of the key streams of work. The options **did not** aim to quantify the extent to which the change would be made, just to highlight the change itself. The development phase considers the extent to which the change would be made.

An options appraisal was carried out on the proposed options. Each proposal was evaluated against the key metrics identified. The options appraisal considered all combinations of changes against the 5 key metrics. The options appraisal concluded:

Responsibilities

- **Staff should play a greater operational role.**
- **Students should retain governance control.**

Timeline

- **The timeline should be pushed later in the academic year.**

Grant allocation

- **More specific principles for grant allocation should exist.**
- **Grant allocation principles should align with ICU strategy.**

3.1 Responsibilities

Firstly, the responsibilities, both operationally and with regards to governance, were considered. The current roles and responsibilities are shown in Table 3.

Table 3 - Roles and responsibilities matrix (current)

	CSPs	Activities Team	CSPB	Grant Committee ¹	Finance, Audit & Risk Committee	Board of Trustees
Student Group Funding Policy	I	C	C		R	A
Budgeting Principles (governance)	I	C	A / R		I	
Grant Allocation (operations)	I	C	A / R			
Grant Allocation (approvals)	I	C	R		A	
Budgeting Training		A / R				
Budget Creation	R	C	A			
Appeals		R	A			

Key areas of responsibility can be found in the first column of the table and key stakeholders can be found in the first row. "A" refers to those who are accountable for the outcome of a process, "R" refers to those who are responsible for executing a process, "C" refers to those who are consulted on a process, and "I" refers to those who are kept informed about a process.

¹ Not applicable to the current process.

It is proposed to introduce a “Grant Committee” who’s core responsibility it is to carry out budgeting operations, as well as advise on budgeting governance. Table 4 shows a proposed re-delegation of responsibilities between key stakeholders. Major changes are highlighted in red.

Table 4 - Roles and responsibilities matrix (proposed)

	CSPs	Activities Team	CSPB	Grant Committee	Finance, Audit & Risk Committee	Board of Trustees
Student Group Funding Policy	I	C	C	C	R	A
Budgeting Principles (governance)	I	C	R	A	I	
Grant Allocation (operations)	I	C	I	A / R		
Grant Allocation (approvals)	I	C	I	R	A	
Budgeting Training		A / R				
Budget Creation	R	A	C			
Appeals		C	C (or R)	A / R		

3.2 Timeframes

It is proposed to push the timeframes to later in the year. This is so that CSP leaders will have more experience in their roles and more spending information for the current year to work with.

Two options exist for delaying the timeframes:

Option 1	Option 2
- CSPs submit a budget at the end of Term 2 (March) - Grant is allocated in Term 2 (April-June)	- CSPs submit a budget in Term 3 (April onwards) - Grant is allocated at the end of Term 3 or over the summer break (June-July)

3.3 Grant allocation principles

The outcome of the research phase was that the grant allocation principles should be improved to reflect alignment with the Union’s strategy and to make the principles more specific and clearer.

ICU’s strategy has the following values:

- Integrity
- Inclusivity
- Innovation

ICU’s strategy has the following goals:

- Effective advocacy and influence
- Happy and healthy students
- Fun and inclusive communities

Of the Union's key values and goals, the most relevant to budgeting is enabling fun and inclusive communities. In the context of budgeting, this translates to ensuring that all CSPs have the support (such as funding) necessary to **foster a sense of belonging** amongst their members, and the wider Imperial community. This will be a key principle in the budgeting policy.

We believe that specific core activity should be defined for all CSPs. Rather than take an individual approach, which risks core activity not being equitable between similar societies, we believe that taking a generalised approach is necessary.

The research clearly shows that all grant provided to CSPs should support their core activity, thus it is important to define what core activity means for CSPs. Fundamentally, we believe that **fostering a sense of belonging to enable fun and inclusive communities to develop** is at the core of all student activity.

In addition to this, we have defined what we believe to be core to each of the types of activity that ICU supports.

Table 5 - Proposed list of core activity by type of CSP

Sports	Performance	Hobbies	Exploration	Academic	Culture & Community	CUs & DepSocs
Unique facilities	Unique facilities (e.g. UCH, GH)	Unique facilities (e.g. west basement)		College space	College space	College space
Storage	Storage	Storage	Storage			
Equipment	Equipment	Equipment	Equipment	Equipment		
	Performance opportunities (all expenses) (2 per year)			Flagship event (1 per year)	Flagship event (1 per year)	
Transport			Transport			
NGB affiliations						
Referees/officials						
					Community/ belonging events	Community/ belonging events
						"Super-curricular" academic events (where applicable)
MANDATORY HEALTH & SAFETY						
FOSTERING BELONGING						

4 Proposals (December 2024)

The following proposals were taken to CSPB in December for consideration of the operational elements of Annual Budgeting, alongside discussions of the principles outlined in the Development stage (Section 3).

4.1 Proposal 1

- Introduction of a “Grant Committee”, comprised of a mixture of elected officers and permanent staff.
- All responsibilities passed onto Grant Committee.
- Activities team take on a more active role in budget development.

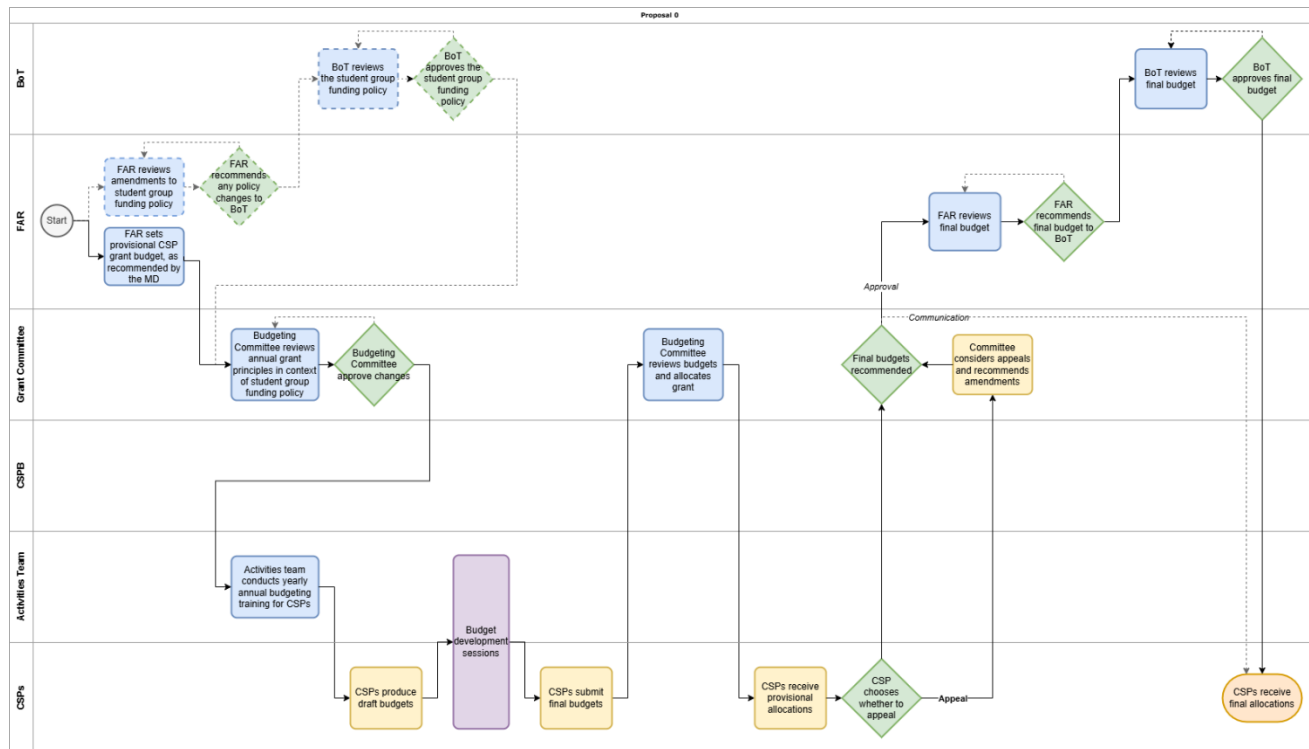


Figure 2 - Process map of proposal 1

The introduction of a grant committee aims to:

- Reduce the operational workload on student volunteers, allowing student volunteers to focus on grant allocation governance and principles.
- Increase the financial accuracy and equity in grant allocations.

Ranking against criteria:

Principle	Rank
Compliance	5
Equity	3
Transparency	1
Efficiency	3
Financial Accuracy	3
	17/25

4.2 Proposal 2

- Introduction of a “Grant Committee”, comprised of a mixture of elected officers and permanent staff.
- Activities team take on a more active role in budget development in conjunction with CSPB.
- CSPB own budgeting principles / Grant Committee carry out budgeting operationally

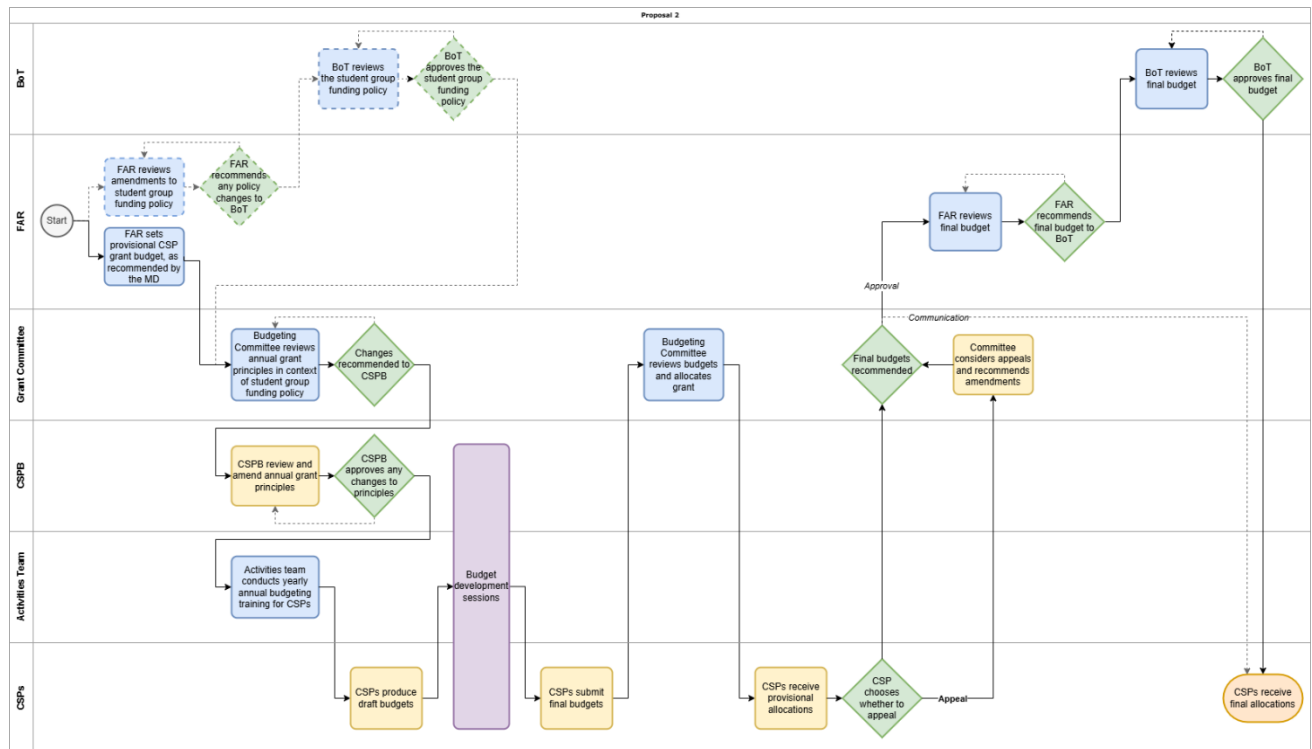


Figure 3 - Process map of proposal 2

Ranking against criteria:

Principle	Rank
Compliance	5
Equity	4↑
Transparency	3↑
Efficiency	3
Financial Accuracy	3
	19/25↑

4.3 Proposal 3

As proposal 2:

- Introduction of a “Grant Committee”, comprised of a mixture of elected officers and permanent staff.
- Activities team take on a more active role in budget development in conjunction with CSPB.
- CSPB own budgeting principles / Grant Committee carry out budgeting operationally.

Plus:

- Only core expenditure is considered before grant is allocated, with core income (membership & top ups) is considered after grant is allocated.
- Addition of budget development sessions after grant allocation.

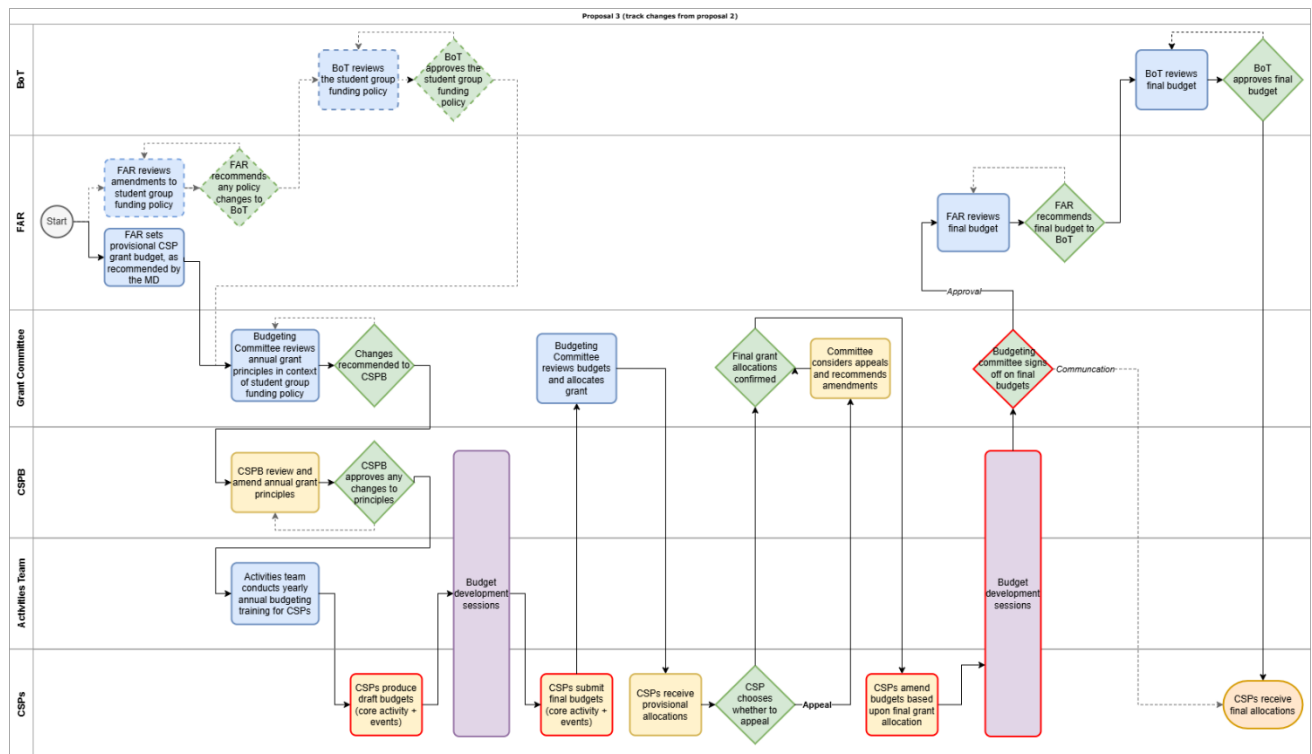


Figure 4 - Process map of proposal 3 (tracked changes from proposal 2 in red)

Ranking against criteria:

Principle	Rank
Compliance	5↑
Equity	4
Transparency	4
Efficiency	4↑
Financial Accuracy	5↑
	22/25↑

4.4 Proposal 4

As proposal 3:

- Introduction of a “Grant Committee”, comprised of a mixture of elected officers and permanent staff.
- Activities team take on a more active role in budget development in conjunction with CSPB.
- CSPB own budgeting principles / Grant Committee carry out budgeting operationally.
- Only core expenditure is considered before grant is allocated, with core income (membership & top ups) is considered after grant is allocated.
- Addition of budget development sessions after grant allocation.

Plus:

- CSPB owns appeals governance.

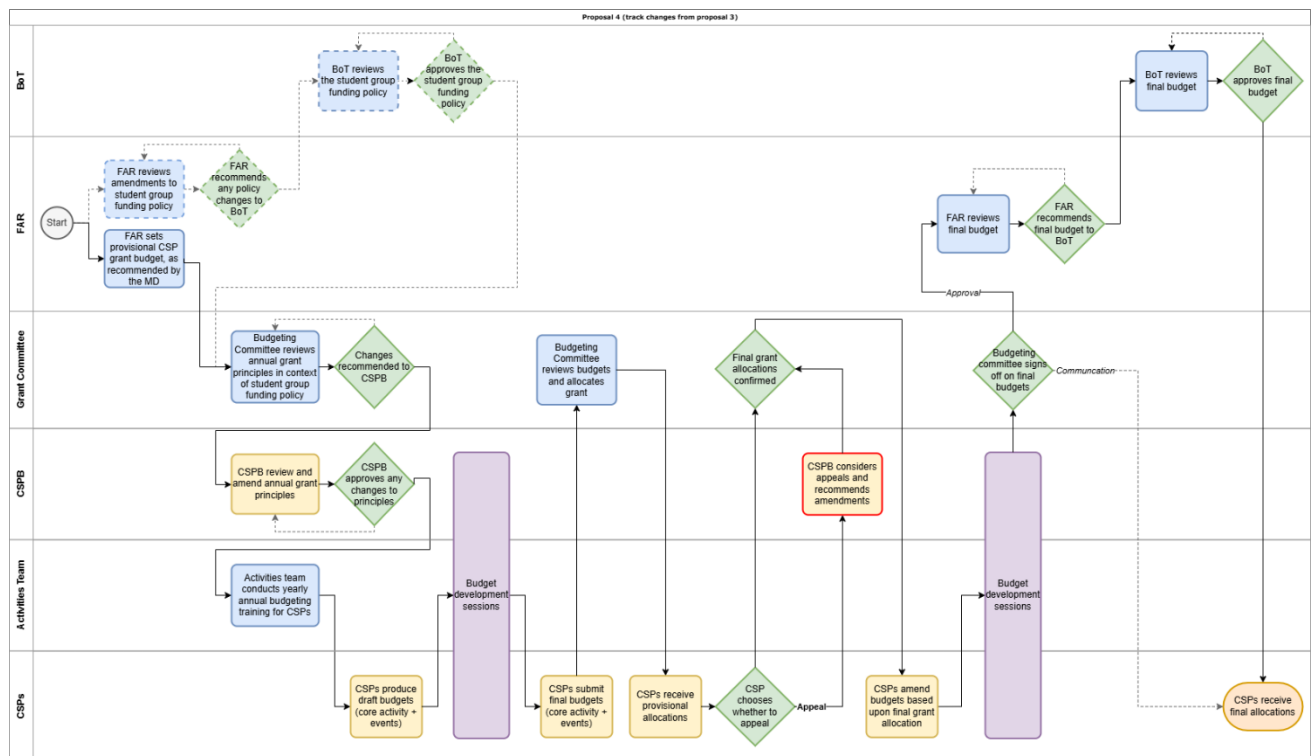


Figure 5 - Process map of proposal 4 (tracked changes from proposal 3 in red)

Ranking against criteria:

Principle	Rank
Compliance	5
Equity	4
Transparency	5↑
Efficiency	4
Financial Accuracy	5
	23/25↑

4.5 Proposal 5

As proposal 4:

- Introduction of a “Grant Committee”, comprised of a mixture of elected officers and permanent staff.
- Activities team take on a more active role in budget development in conjunction with CSPB.
- CSPB own budgeting principles / Grant Committee carry out budgeting operationally.
- Only core expenditure is considered before grant is allocated, with core income (membership & top ups) is considered after grant is allocated.
- Addition of budget development sessions after grant allocation.

Plus:

- Joint panel considers appeals.

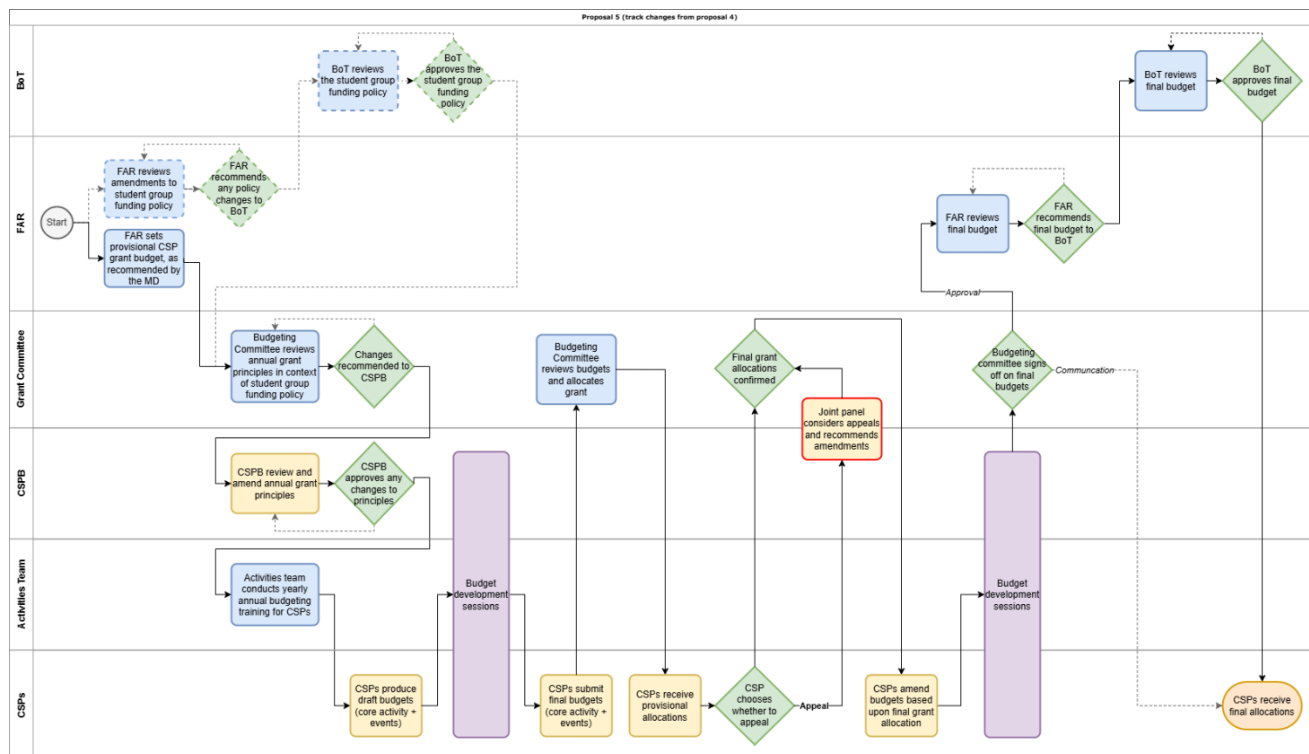


Figure 6 - Process map of proposal 5 (tracked changes from proposal 3 in red)

Ranking against criteria:

Principle	Rank
Compliance	5
Equity	4
Transparency	5
Efficiency	5↑
Financial Accuracy	5
	24/25↑

5 Recommendations (January 2025)

CSPB and the Activities Team were consulted regarding:

- The 5 proposals for the operations of annual budgeting (Section 4).
- The timeframes for annual budgeting.
- The responsibilities of staff and students in annual budgeting.
- The principles by which grant should be allocated.

5.1 Operations

Both CSPB and the Activities Team, with the DPCS, have concluded that Option 5 provides the best balance between all the principles identified as being core to annual budgeting.

The Activities Team have noted that the process will ensure that better oversight is maintained of annual grant allocations, and that CSPs are better able to be supported by the team.

CSPB have noted that the separation of the operations and governance of annual budgeting will provide more clarity for students, **although there was not a consensus regarding the makeup of the grant committee (see 5.3).**

5.2 Timeframes

A consensus was reached that CSP budget submission, and the development/support of budgeting with the Activities Team, should be conducted over March (prior to the end of Term 2).

A consensus was also reached that grant allocations should then be made in time for students to return for Term 3, allowing them the opportunity to review their allocations and determine their required income for the year.

5.3 Responsibilities of staff and students

A consensus **was not reached regarding the responsibilities of staff and students.**

Some CSPB representatives, and the Activities Team, agree that the role of a student volunteer is to be an **advocate/representative** for their CSPs. This would mean focusing input on grant allocation principles and governance, as well as advocating for their CSPs.

Other CSPB representatives instead agree that the role of a student volunteer is to be an **impartial expert** in the activities of their CSPs. This would mean focusing input on the operational elements of grant allocation, including determining whether an activity is core to a society, and balancing society budgets irrespective of whether the society falls within their representative remits.

5.4 Grant allocation principles

A consensus was reached that the general principle of “fostering community and belonging” should underpin annual grant allocations. CSPB also agreed on the outline of defining what activity is grant-fundable (Table 6).

CSPB have agreed that grant allocation principles should be more specific and well defined for each type of activity. This exercise is due to be conducted in January 2025 at CSPB.

6 Implementation plan

6.1 Overview

To implement the agreed recommendations, the following timeframes and changes are required. Budgeting will begin in March 2025, with outcomes finalised in time to be approved at the July 2025 meeting of the Board of Trustees.

6.2 Policy

The following policies require updates:

Policy	Updates	Due
Student Group Funding Policy	- Establishing a grant committee chaired by the DPCS for the purposes of operationalising grant allocations. - Introduction of specific prohibitions and requirements on grant allocations. - Clearly defining the roles of CSPB and FAR in annual budgeting.	15 th January 2025 (<i>for Feb FAR</i>)
CSP Annual Budgeting Principles	- Re-defining “grant-fundable” in terms of “fostering community and belonging”. - Introducing specific and measurable principles by which grant is allocated, with specific considerations of the type of activity that CSPs conduct.	11 th February 2025 (<i>for Feb CSPB</i>)

6.3 Systems

Task	Description	Due
eActivities Updates	Update annual budgeting platform to enable budgets to be created in line with the new process.	1 st March 2025

6.4 Activities team

Task	Description	Due
CSP Annual Budgeting Procedure (for grant committee)	Develop a clear operational procedure for the grant committee to follow, which ensures that the	April 2025
CSP Training Updates	Update training to reflect the new processes.	1 st March 2025