

## Finance and Audit Committee Reports: 08-09-2022

|   |               |
|---|---------------|
| Contents  | Report Number |
| Actions arising and minutes of previous meeting | -             |
| Finance and Audit Report                        | R1            |
| VAT on supply of staff Report                   | R2            |
| Risk Register Report                            | R3            |
| Business Case                                   | R4            |

| <b>Actions arising from previous meeting</b>  | <b>Action owner</b>                  | <b>Started</b> | <b>Exp Finish</b> | <b>Progress</b> |
|---|--------------------------------------|----------------|-------------------|-----------------|
| Finance Policy to be circulated to members of committee upon completion. Trustees asked to review and feedback. | Head of Finance                      | 11/2021        | 31/10/22          | In Progress     |
| Scheme of delegated authority to be created   | Head of Finance<br>Deputy Chief Exec | 27/01/22       | 31/10/22          | In Progress     |
| Item on Commercial Ops risk and mitigation to be added for future reports                                       | Head of Finance                      | 19/05/22       | 1/09/2022         | Complete        |
| The Head of Finance agreed to review the notes of the last meeting to see if this detail could be added         | Head of Finance                      | 19/05/22       | 23/05/2022        | Complete        |
| Proposed dates for future meetings to be circulated to committee members  | Head of Finance                      | 19/05/22       | 31/02/2022        | Complete        |

## MINUTES FROM PREVIOUS MEETING

|                       |   |               |                 |
|-----------------------|---|---------------|-----------------|
| Meeting:              | <b>Finance &amp; Audit Committee</b>  |               |                 |
| Location:             | <b>Microsoft Teams Meeting</b>  |               |                 |
| Date & Time:          | <b>Thursday 19<sup>th</sup> May 2022 at 9am</b>   |               |                 |
| <b>Present:</b>       |   |               |                 |
| Elizabeth Stacey      | Sport Officer ( <i>Chair</i> )  |               |                 |
| Kate Aldridge         | Independent Trustee   |               |                 |
| Barry Hughes          | Independent Trustee (from 9.10am)   |               |                 |
| Jordan Kenny          | Independent Trustee   |               |                 |
| Valerie Copenhagen    | Independent Trustee (from 9.20am – 10.05am)   |               |                 |
| Annie Willingham      | President   |               |                 |
| <b>In attendance:</b> |   |               |                 |
| Helen McHenry         | Head of Finance   |               |                 |
| Mandy Wilson-Garner   | Deputy Chief Exec   |               |                 |
| Emily Burstow         | Finance Manager   |               |                 |
| Charlie Slack         | Head of Student Voice ( <i>Secretary</i> )  |               |                 |
| Item                  |   |               |                 |
| 1.                    | <b>Apologies for absence</b>  |               |                 |
|                       | <b>Name</b>   | <b>Reason</b> | <b>Accepted</b> |
|                       | Nicky Passmore  | Sick          | Yes             |
| 2.                    | <b>Notice of any other business</b>   |               |                 |
|                       | Jordan Kenny requested a standing item on Commercial Risk and Mitigation  |               |                 |
| 3.                    | <b>Declaration of conflict of interest</b>  |               |                 |
|                       | No one had any conflicts of interests to declare in any items on the agenda.  |               |                 |
| 4.                    | <b>Minutes of the previous meeting and matters arising</b>  |               |                 |
|                       | <p>One Trustee commented that the minutes contained reference to them leaving the meeting but did not say what time they had left. <b>The Head of Finance agreed to review the notes of the last meeting to see if this detail could be added.</b> The Committee approved the previous minutes otherwise and noted the matters arising.</p> <p>Finance Policy: Currently <b>in progress</b> alongside the development of the Scheme of Delegation. Once completed will be circulated to Board members</p> <p>Credit Card: This has been <b>completed</b>.</p> <p>Scheme of Delegated Authority: <b>In progress</b> - as above.</p> <p>Update for Board of Trustees: This has been <b>completed</b>.</p> |               |                 |
| 5.                    | <b>Finance &amp; Audit</b>  |               |                 |
|                       | <b>SU Financial position:</b>   |               |                 |
|                       | <i>Current expenditure:</i>   |               |                 |
|                       | The Head of Finance gave a verbal report on the current situation. She reported that the financial position looked broadly healthy mostly due to salary underspend and related activities not taking place due to staff vacancies. Commercial income had been varied since the start of   |               |                 |

## MINUTES FROM PREVIOUS MEETING

the calendar year with online exams impacting income for January/February although savings have been made on casual staffing. Issues with NUS and stock ordering through Diageo had caused problems.

The Head of Finance reported that there was a healthy surplus although mindful of staff salaries increasing with the Living Wage changes and there would be the expected end of year activities which account for a proportion of the remaining surplus.

*(Barry Hughes joined the meeting)*

### *Forecasting:*

The Head of Finance reported that the year had a budgeted £24k deficit forecast however efforts were to be made to breakeven if possible. Currently there is a significant underspend of salaries and ongoing issues with filling vacant roles, with very minimal or no applicants for recent recruitment activities. In addition to other savings, The Head of Finance estimated that we are likely to end the year with a smaller deficit than budgeted.

The Finance Manager gave an overview of the forecasting method with areas and an update on the expenditure and forecast within individual areas. Whilst the coming months will provide greater clarity, the Finance Manager was confident on the anticipated expenditure.

**Question:** A Trustee asked about recruitment and the degree of flexibility in setting salaries for staffing roles and any expected increments.

The Head of Finance reported that wages were determined by the University and that conversations of the wage increment in light of inflation were currently ongoing but had been advised to budget for 3.5%.

The committee discussed various approaches to recruitment. The Deputy Chief Exec outlined the course of the discussion with HR and ongoing issues with a lack of a policy on flexible working.

*(Valerie Copenhagen joined the meeting)*

### *Commercial risk:*

The Head of Finance reported a very successful semester 1 that had exceeded expectations. However the move to online exams had meant that many students did not return to campus until February which had affected trade. Club night attendance had been particularly challenging and a range approaches to mitigate have not had the desired impact. Low levels of engagement have been seen similarly in SUs across the sector and generally across the SU (e.g. elections). The Head of Finance outlined areas working well and areas that have been more challenging within the commercial area and activities undertaken to try to mitigate. Two key staff roles will be vacant in the Commercial/Bars team of which the vacancy costs will help to mitigate some shortfall.

Staff have been under pressure to deal with the challenges of recent years and with no CE currently in role, a consultancy firm (Greenhouse Consulting) have been recruited to support the team in looking at analysing operations, identifying sector trends and solutions.

The Deputy Chief Exec outlined that this work was fully funded by the University to support the team with the absence of the CE and that its role will be to look at both the challenges that Bars & Events are facing alongside the Marketing Team. Areas have reported the need for more support with Marketing and Communications activities. It is intended that it will support the CE in making strategic decisions upon returning, around these areas.

**Question:** A Trustee asked what was being done to support the Head of Commercial and mitigate against the single point of failure of his role in that work, now that the other members of the team had left?

The Head of Finance reported that whilst the Bars Manager had left, she was returning to support the running of the upcoming ball. The replacement for this role has been recently recruited. The Deputy Commercial Manager has left without another role to take up and has indicated that he may be able to offer support if needed.

## MINUTES FROM PREVIOUS MEETING

|   |   |
|---|---|
|   | <p><u>Question:</u> A Trustee asked if the Head of Commercial and Marketing Manager were positive about the consultation process?<br/>The Deputy Chief Exec reported that the brief for the consultants was written in response to the issues raised by the two parties. Would have like to involve both more in the recruitment process in retrospect but the speed at which the process moved proved challenging. The DCE is meeting with them regularly to provide support. Both are also meeting with the consultants and involved with the process and the consultants themselves are very aware of how some may feel in their positions.</p> <p>The President raised concerns about Freshers Week and the risks it presented through engaging with ‘pandemic’ students, changing expectations from the University and appropriate staff resource levels.</p> <p><b>SU Reserves:</b> The Head of Finance reported that there is not much movement in this area. The restricted funds are not decreasing. Some schemes are related to staff vacancies and associated workload. There is an increase in expenditure expected for the end of year particularly around sports clubs.</p> <p><b>Audit Recommendations:</b> The Head of Finance outlined action being taken in response to the recent audit.<br/>Segregation of Duties – Finance Manager now in place. Chief Exec duties have been delegated to the Deputy Chief Exec.<br/>Journal processing – Extra steps are now in place<br/>Finance Policy – in progress, will come to the Board of Trustees at the end of the year.<br/>Rents in Kind documentation – new calculation agreed by the University using their TRAC accounting methods (classification on size of space and purpose) and has increased from £350k to £500k although SU are not charged for this, it’s a nominal addition on our SOFA.<br/>VAT review – University have written to HMRC, awaiting outcome</p> |
| 6 | <p><b>Annual Planning</b></p> <p>The Committee received a verbal report on the annual planning process.</p> <p>The Head of Finance reported that she had recently attending the annual planning meeting with the Deputy Chief Exec. The meeting had been positive and the SU were thanked for their hard work during covid and throughout the recovery period. It had been helpful to agree the grant in advance including the living wage inflation and the reversal of the salary vacancy approach. All four Arts staff posts had been agreed but would still need confirmation by University Finance Committee. There had been a useful conversation about commercial trends, the implications of online exams, a growing market for Indian and Thai students, and students reduction in disposable income. Negotiations on the block grant multi-year approach will still need to take place to align with a new strategic plan.</p> <p>The Deputy Chief Exec reported that the meeting had been an opportunity to lay the groundwork about additional staffing resource for Peer Support and Advice. She commended the Head of Finance for her work in this area.</p> <p><u>Question:</u> A Trustee asked about the risks attached to the Arts facilities and how these would be mitigated.<br/>The Head of Finance outlined that discussion was pending on the equipment, fixtures and fittings for the Edge, the SU has been clear that cannot afford to cover repair and maintenance. The university have agreed to cover these at the moment but will be reviewed at a later date.</p>   |

## MINUTES FROM PREVIOUS MEETING

|    |   |
|----|---|
| 7. | <p><b>Any other business</b></p> <p><i>Commercial Risk and mitigation</i><br/>The discussion on commercial risk and mitigation was discussed earlier in the agenda and no further discussion was required. The Head of Finance suggested inviting the Head of Commercial to future meetings to join the conversation.</p> <p><i>Chief Exec absence</i><br/>The President gave an update on the current absence of the Chief Exec and the anticipated return date and process agreed with HR</p> <p><i>(Valerie Copenhagen left the meeting)</i></p> |
| 8  | <p><b>To set the date and time of future meetings</b></p> <p>The Head of Finance reported that beyond the June meeting of the Board of Trustees, no further dates had been set with the ongoing vacancy of the Governance Manager. The Head of Finance will create a draft proposal for meeting dates in line with this years calendar and circulate. The auditors will attend the November meeting.</p>  |

**The meeting ended at 10.15**

| Item | Action  | Action Owner    | Exp Finish |
|------|---|-----------------|------------|
| 2    | Item on Commercial Ops risk and mitigation to be added for future reports                               | Head of Finance | 1/09/2022  |
| 4    | The Head of Finance agreed to review the notes of the last meeting to see if this detail could be added | Head of Finance | 23/05/2022 |
| 8    | Proposed dates for future meetings to be circulated to committee members                                | Head of Finance | 31/02/2022 |

**PURPOSE**

To provide Trustees with an update on the SU financial position.

**REPORT****1. MANAGEMENT ACCOUNTS**

- 1.1. Appendix 1 shows the management accounts for the period ending 31<sup>st</sup> July. These show a surplus of £189k. There are two main reasons for this.
- 1.2. The first is a significant underspend in salaries is due to a high turnover of staff at the start and end of the year, and the restructure within some teams. Vacant roles have not been filled with recruitment proving extremely challenging. Vacancies have been covered by casual staff and/or a reduction in activity resulting in non-pay savings across areas.
- 1.3. The second reason is an exceptional amount of commission income from graduation photos. We had a cautious budget for the year however we have received £109k. This is because the University had catch up ceremonies for 2020 and 2021 graduates which gave £63k unbudgeted income. The current year Summer and Winter ceremonies earned £45k income exceeding budgeted our £20k. We have missed this income for last two years and had no guarantee of recovering any so this is good news.
- 1.4. Arts and Voice have significant non pay underspends where activities were reduced, remote or cancelled partly due to the supporting staff resource.
- 1.5. These savings have enabled us to absorb the significant reduction in Commercial income. Despite forecasting otherwise, the bar has returned a £40k surplus, which is £73k short of its budgeted £113k. Food and coffee sales were lower throughout the year. After a successful semester one, the club nights dropped off in semester two taking a hit on ticket income. Cost of sales and operational costs all exceeded budget despite lower revenue. This will be a focus for the coming year as the area seeks to recover and implement new strategies following the commercial review.

**2. DEPARTMENT VARIANCES**

- 2.1. Appendix 2 shows the report by department that we report forecasts on during the year. We have commented on the variance in each area.
- 2.2. The commission income and additional block grant were only confirmed in July so were not included in any earlier forecast.
- 2.3. Recruitment problems with vacant posts have been prolonged and have increased the salary vacancy saving as the year ended with posts unfilled. This contributed to a corresponding underspend in the activity across some of these areas affected.
- 2.4. A couple of areas have provided inaccurate forecasts and have produced a variance that we were not expecting. We will review this with the area budget holder, and the Finance Manager will work closely with them throughout the new year to ensure more accuracy in the forecasts going forward.
- 2.5. There will be close monitoring for the commercial areas, particularly bars and the nightclub. We will investigate reporting for this area to see if we can make improvements eg splitting bar and club events to clearly track the income and expenditure and avoid large variances against budget.

**3. RESERVES AND RESTRICTED FUNDS**

## REPORT ON FINANCE AND AUDIT

R1

- 3.1. Appendix 3 shows a statement of all SU fund categories including unrestricted, restricted, designated and custodian funds (RAG). These are the categories reported in the SOFA and annual accounts.
- 3.2. Focus remains on unrestricted funds, which are the general funds that we budget for, as these are the amounts we are in control of and are reported in detail through the management accounts.
- 3.3. These figures are subject to change through the audit period so should be considered draft at this stage.
- 3.4. Restricted funds have increased by £48k, mostly due to sport and alumni. Alumni applications have been low, the team is looking at ways to better promote the scheme. Activities in sport did not increase as much as expected in Semester 2 and the team are planning for the new year. A new grant was received for £6k for Drug Support Initiative of which there have been no costs to date.
- 3.5. The green section at the bottom of the report shows the impact of the current unrestricted balance on our reserves. The surplus of £189k is added to the unrestricted funds brought forward and adjusted for funds tied up in tangible fixed assets. The minimum reserves held of £150k is taken from this giving a predicted free reserves figure of £325k.
- 3.6. As per the Reserves Policy the minimum reserves held will increase from the Covid level of £150k to a percentage of costs which equates to ~£206k for the start of FY2022/23. This reduces free reserves to £269k which is a healthier position than we have been in since pre Covid.
- 3.7. Following the year end position and the impact on our reserves, and the various changes in staffing we will draft a revised budget for approval at the next meeting to provide better reporting for the new year.
- 3.8. We are facing challenges with commercial activity, cost of living effects and staff recruitment but now have a more solid financial foundation to face them.

## 4. AUDIT RECOMMENDATIONS

- 4.1. Segregation of Duties – Chief Exec duties delegated to Deputy CE in interim.
- 4.2. Main concern around journal processing. We have implemented extra steps where all journals are reviewed and signed off each month by HoF and CE/DCE.
- 4.3. The work on the new finance policy has been delayed again and is now due by the end of October. First draft is prepared. The new Finance Manager will pick up the work on a procedure's manual. These steps were both recommended to help with the segregation of duties in the office enabling a review of processes and systems to ensure best practice.
- 4.4. Other advisory recommendations
  - Income stream review – Engaged Crowe to undertake review. Have had verbal outcome, awaiting full report. Crowe confirmed happy that we fall under the threshold of liability for corporation tax. They will make a recommendation to consider setting up a trading subsidiary in the future to put all non-primary trading income through. We will await final report and review alongside future commercial plans.
  - Rent in Kind documentation – University have agreed new calculation, email confirmation received.
  - Other documentation on agreements with University – CE to discuss with senior university team
  - VAT review – follow up actions. See agenda item 6.

## ACTIONS

The Finance & Audit Committee are asked to note the report.

|                 |  |  |
|-----------------|--|--|
| <b>CONTACT:</b> | Helen McHenry ( <i>SU Head of Finance</i> )<br>Emily Burstow ( <i>SU Finance Manager</i> ) | E-Mail: <a href="mailto:sushmw@bath.ac.uk">sushmw@bath.ac.uk</a><br>E-Mail: <a href="mailto:ejb237@bath.ac.uk">ejb237@bath.ac.uk</a> |
|-----------------|--|--|

# REPORT ON FINANCE AND AUDIT

R1

## APPENDIX 1: MANAGEMENT ACCOUNTS JULY 2022

| Unrestricted / Core Summary Subjective | YEAR           | August      | September   | October     | November    | December    | January     | February    | March       | April       | May         | June        | July        | YTD            |                |                    | PRIOR YTD                   | YTD                     |
|--|----------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|----------------|----------------|--------------------|-----------------------------|-------------------------|
|  | 2021-22 Budget | 2021 Actual | 2021 Actual | 2021 Actual | 2021 Actual | 2021 Actual | 2022 Actual | 2022 Actual | 2022 Actual | 2022 Actual | 2022 Actual | 2022 Actual | 2022 Actual | Actual 2021-22 | Budget 2021-22 | Variance to budget | Actual Year-to-date 2020-21 | Annual budget remaining |
|  | £              | £           | £           | £           | £           | £           | £           | £           | £           | £           | £           | £           | £           | £              | £              | £                  | £                           | £                       |
| <b>Income</b>                          |                |             |             |             |             |             |             |             |             |             |             |             |             |                |                |                    |                             |                         |
| Block Grant                            | 1,915,000      | 157,333     | 161,833     | 159,581     | 159,585     | 159,583     | 159,583     | 159,583     | 159,583     | 159,583     | 159,583     | 159,583     | 223,083     | 1,978,500      | 1,915,000      | 63,500             | 1,888,000                   | -63,500                 |
| Commercial Income                      | 927,585        | 389         | 111,696     | 204,098     | 134,818     | 66,825      | 16,359      | 94,824      | 125,011     | 78,593      | 82,726      | 54,063      | -3,408      | 965,994        | 927,585        | 38,409             | 124,035                     | -38,409                 |
| Student groups                         | 5,500          | 0           | 105         | 2,075       | 6,049       | -28         | 0           | 4,219       | 3,440       | 0           | 152         | 1,328       | 98          | 17,437         | 5,500          | 11,937             | 488                         | -11,937                 |
| Sports clubs                           | 127,408        | 40          | 5,187       | 72,212      | 9,423       | 1,899       | 12,295      | 9,424       | 3,601       | 6,851       | 9,921       | 223         | 2,771       | 133,847        | 127,408        | 6,439              | 8,936                       | -6,439                  |
| Advertising and sponsorship            | 35,500         | 877         | 4,099       | 2,034       | 3,017       | 589         | 3,181       | 1,434       | 7,856       | 422         | 12,024      | 3,822       | 214         | 39,570         | 35,500         | 4,070              | 22,544                      | -4,070                  |
| Events                                 | 517,865        | 0           | 215,522     | 21,148      | 53,959      | 2,678       | 691         | 20,949      | 129,178     | 45,288      | 16,954      | 827         | 3,079       | 510,271        | 517,865        | -7,594             | 41,415                      | 7,594                   |
| Union income                           | 63,000         | 7           | 14,777      | 20,991      | -10,375     | 28,535      | 3,439       | 2,753       | 10,826      | 1,523       | 700         | 131         | 145,951     | 219,257        | 63,000         | 156,257            | 193,908                     | -156,257                |
| Motor income                           | 0              | 0           | 275         | 0           | 0           | 0           | 0           | 0           | 825         | 275         | 0           | 0           | 0           | 1,375          | 0              | 1,375              | 550                         | -1,375                  |
|  | 3,613,227      | 158,645     | 534,863     | 482,138     | 356,476     | 260,082     | 195,648     | 293,186     | 440,320     | 292,535     | 282,059     | 219,978     | 368,528     | 3,884,459      | 3,613,227      | 271,232            | 2,279,876                   | -271,232                |
| <b>Staff Costs</b>                     |                |             |             |             |             |             |             |             |             |             |             |             |             |                |                |                    |                             |                         |
| Staff: Salaries & Wages                | -1,787,559     | -133,580    | -139,677    | -135,355    | -132,873    | -138,162    | -136,251    | -135,390    | -138,430    | -136,000    | -134,749    | -127,908    | -193,506    | -1,681,880     | -1,787,559     | 105,679            | -1,543,670                  | -105,679                |
| Staff: Agency                          | -13,600        | 0           | 0           | -3,290      | -1,646      | -3,289      | -1,400      | -3,625      | -1,312      | -3,642      | -4,108      | -8,459      | -1,383      | -32,154        | -13,600        | -18,554            | -17,684                     | 18,554                  |
| Staff: Casual                          | -303,844       | -4,974      | -35,035     | -45,458     | -61,160     | -18,292     | -5,269      | -34,810     | -30,620     | -22,749     | -38,277     | -21,192     | -8,031      | -325,868       | -303,844       | -22,024            | -106,179                    | 22,024                  |
| Staff: Vacancy Factor                  | 53,852         | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0              | 53,852         | -53,852            | 0                           | 53,852                  |
|  | -2,051,151     | -138,554    | -174,712    | -184,104    | -195,678    | -159,743    | -142,921    | -173,825    | -170,362    | -162,392    | -177,134    | -157,559    | -202,920    | -2,039,902     | -2,051,151     | 11,248             | -1,667,533                  | -11,248                 |
| <b>Other Expenditure</b>               |                |             |             |             |             |             |             |             |             |             |             |             |             |                |                |                    |                             |                         |
| Commercial                             | -349,006       | -2,294      | -84,346     | -28,142     | -52,141     | -27,882     | -1,968      | -35,182     | -61,294     | -14,955     | -67,415     | 470         | -788        | -375,936       | -349,006       | -26,930            | -68,400                     | 26,930                  |
| Staff : other costs                    | -19,950        | -2,319      | -886        | -521        | -1,961      | -3,600      | -636        | -1,133      | -1,451      | -1,026      | -1,624      | -3,376      | -1,262      | -19,795        | -19,950        | 155                | -25,498                     | -155                    |
| Student groups                         | -21,827        | -32         | -2,882      | -1,334      | -7,973      | 5,181       | -683        | -765        | -3,877      | -3,023      | -2,951      | -1,053      | -5,098      | -24,491        | -21,827        | -2,664             | -7,333                      | 2,664                   |
| Sports clubs                           | -267,506       | -23,466     | -1,508      | -25,556     | -36,762     | -19,900     | -4,887      | -41,362     | -30,533     | -25,989     | -18,819     | -11,382     | 5,243       | -234,921       | -267,506       | 32,585             | -41,092                     | -32,585                 |
| Advertising and Marketing              | -17,055        | -4,013      | -1,136      | -153        | -764        | -1,163      | -1,014      | -967        | -1,537      | -275        | -110        | 95          | -269        | -11,306        | -17,055        | 5,749              | -16,873                     | -5,749                  |
| Events ( direct)                       | -358,982       | -24,504     | -138,054    | -16,871     | -9,988      | -10,609     | -800        | -3,838      | -24,040     | -5,500      | -52,841     | -38,276     | -2,914      | -328,235       | -358,982       | 30,747             | -85,264                     | -30,747                 |
| Union costs                            | -108,057       | 550         | -45,710     | -5,882      | -3,942      | -4,799      | -7,375      | -4,904      | -4,329      | -5,011      | -5,946      | -5,340      | -3,729      | -96,417        | -108,057       | 11,640             | -87,771                     | -11,640                 |
| Administration                         | -39,125        | -548        | -7,113      | -1,734      | -3,443      | -1,820      | -1,836      | -1,520      | -2,613      | -2,053      | -3,396      | -3,406      | -4,554      | -34,034        | -39,125        | 5,091              | -23,981                     | -5,091                  |
| Motor expenses                         | -2,000         | -372        | -372        | -405        | -1,058      | -372        | -372        | -446        | -564        | -50         | -895        | -621        | -327        | -5,855         | -2,000         | -3,855             | -2,177                      | 3,855                   |
| Internal recharges                     | -22,067        | 0           | -13,967     | 0           | 0           | -3,000      | -500        | 0           | 0           | 0           | 0           | 0           | 1,495       | -15,972        | -22,067        | 6,095              | -6,848                      | -6,095                  |
| Volunteer and student costs            | -37,646        | -13,645     | -989        | -230        | -2,088      | -3,524      | -203        | -283        | -556        | 2,262       | -5,933      | -2,324      | -576        | -28,089        | -37,646        | 9,557              | -6,661                      | -9,557                  |
| Establishment                          | -161,772       | -1,580      | -54,048     | -21,886     | -3,722      | -2,511      | -12,920     | -6,575      | -3,238      | -4,150      | -1,251      | -14,372     | -14,399     | -140,651       | -161,772       | 21,121             | -87,888                     | -21,121                 |
| Assets & Finance Expenses              | -148,686       | 8,997       | -68,190     | -51,671     | 511         | -17,210     | -12,732     | -8,917      | -7,115      | -24,505     | -32,427     | -93,453     | -23,460     | -306,711       | -148,686       | -158,025           | -127,342                    | 158,025                 |
| Depreciation                           | -33,000        | -2,507      | -2,507      | -2,507      | -2,607      | -2,607      | -2,559      | -2,559      | -2,869      | -2,847      | -2,921      | -2,921      | -2,921      | -32,331        | -33,000        | 669                | -30,548                     | -669                    |
| Total Other Expenditure                | -1,586,679     | -65,732     | -421,708    | -156,891    | -125,937    | -93,817     | -48,485     | -108,450    | -144,017    | -87,123     | -196,528    | -155,216    | -62,570     | -1,654,744     | -1,586,679     | -68,064            | -1,166,950                  | 68,064                  |
| <b>Total Expenditure</b>               | -3,637,830     | -204,286    | -596,420    | -340,995    | -321,615    | -253,560    | -191,405    | -282,275    | -314,378    | -249,515    | -373,662    | -312,774    | -265,491    | -3,694,646     | -3,637,830     | -56,816            | -2,834,483                  | 56,816                  |
| <b>Net Surplus/(Deficit)</b>           | -24,603        | -45,640     | -61,556     | 141,143     | 34,861      | 6,522       | 4,243       | 10,911      | 125,942     | 43,021      | -91,603     | -92,797     | 103,037     | 189,813        | -24,603        | 214,417            | -554,607                    | -214,416                |



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## APPENDIX 2: DEPARTMENT VARIANCES

| Unrestricted / Core Summary | August           | September        | October          | November         | December         | January          | February         | March            | April            | May              | June             | July             | YTD                    |                        |                            | Variance commentary   |
|-----------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------------|------------------------|----------------------------|---|
|                             | 2021 Actual<br>£ | 2021 Actual<br>£ | 2021 Actual<br>£ | 2021 Actual<br>£ | 2021 Actual<br>£ | 2022 Actual<br>£ | 2022 Actual<br>£ | 2022 Actual<br>£ | 2022 Actual<br>£ | 2022 Actual<br>£ | 2022 Actual<br>£ | 2022 Actual<br>£ | Actual<br>2021-22<br>£ | Budget<br>2021-22<br>£ | Variance to<br>budget<br>£ |   |
| <b>Core Salaries</b>        | -126,913         | -127,764         | -123,574         | -121,592         | -127,143         | -124,604         | -123,377         | -126,966         | -119,988         | -124,066         | -117,216         | -186,012         | -1,549,215             | -1,623,830             | 74,615                     | Huge savings in salary costs due to vacancies and internal restructures<br>Recruitment problems affecting all vacancies   |
| <b>Vacancy Factor</b>       |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                        | 53,852                 | -53,852                    |   |
| <b>Net Surplus/Deficit</b>  | <b>-126,913</b>  | <b>-127,764</b>  | <b>-123,574</b>  | <b>-121,592</b>  | <b>-127,143</b>  | <b>-124,604</b>  | <b>-123,377</b>  | <b>-126,966</b>  | <b>-119,988</b>  | <b>-124,066</b>  | <b>-117,216</b>  | <b>-186,012</b>  | <b>-1,549,215</b>      | <b>-1,569,978</b>      | <b>20,763</b>              |   |
| <b>Union Administration</b> |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                        |                        |                            |   |
| Income                      | 142,721          | 147,496          | 145,037          | 144,952          | 149,040          | 144,983          | 144,992          | 154,945          | 145,367          | 145,109          | 145,096          | 339,871          | 1,949,609              | 1,764,065              | 185,544                    | Extra grant £63k to fund CoL one off payments and irrecoverable VAT<br>£90k extra graduate commission due to catch up ceremonies<br>£20k funding for Commercial Consultancy project   |
| Staff Costs                 | -1,131           | -345             | -91              | -1,541           | -2,210           | -598             | -881             | -937             | -565             | -1,194           | -3,883           | -1,567           | -14,940                | -14,400                | -540                       |   |
| Other Expenditure           | 12,453           | -127,750         | -5,674           | -4,180           | -9,339           | -14,553          | -15,629          | -11,550          | -14,362          | -16,060          | -14,277          | -43,610          | -264,530               | -257,385               | -7,145                     |   |
| <b>Net Surplus/Deficit</b>  | <b>154,044</b>   | <b>19,401</b>    | <b>139,272</b>   | <b>139,231</b>   | <b>137,492</b>   | <b>129,832</b>   | <b>128,482</b>   | <b>142,458</b>   | <b>130,440</b>   | <b>127,856</b>   | <b>126,936</b>   | <b>294,694</b>   | <b>1,670,139</b>       | <b>1,492,280</b>       | <b>177,859</b>             |   |
| <b>Advice &amp; Support</b> |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                        |                        |                            |   |
| Income                      |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  | 3,024            |                        |                        |                            | £11k No employment of casual staff in 21/22 while new ways of working were established.<br>£3k No in person training for student minds group  |
| Staff Costs                 |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                        | -11,066                | 11,066                     |   |
| Other Expenditure           |                  | -5,190           | -47              |                  | -355             | -1,005           | -31              | -32              |                  | -53              | -7               | 84               | -3,613                 | -6,936                 | 3,323                      |   |
| <b>Net Surplus/Deficit</b>  |                  | <b>-5,190</b>    | <b>-47</b>       |                  | <b>-355</b>      | <b>-1,005</b>    | <b>-31</b>       | <b>-32</b>       |                  | <b>-53</b>       | <b>-7</b>        | <b>3,108</b>     | <b>-3,613</b>          | <b>-18,002</b>         | <b>14,389</b>              |   |
| <b>Arts</b>                 |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                        |                        |                            |   |
| Income                      | 14,619           | 14,624           | 17,652           | 14,781           | 14,777           | 15,772           | 17,960           | 14,652           | 15,271           | 14,693           | 14,619           | 17,796           | 187,218                | 185,435                | 1,783                      | Staff costs are agency temps used to fill vacancies, more than offset within core salary budget<br>Lack of staff led to reduced activities and large saving in non pay<br>Key underspends £4.6k on licences, £6.2k on prof fees, £5.6k on repairs and maintenance   |
| Staff Costs                 |                  |                  |                  | -975             | -608             | -198             | -2,504           | -2,294           | -1,269           | -3,740           | -3,272           | -1,866           | -16,726                |                        | -16,726                    |   |
| Other Expenditure           | -330             | -6,997           | -7,298           | -4,577           | 1,249            | -402             | -1,162           | 3,496            | -8,627           | -4,065           | -3,043           | -4,669           | -36,424                | -59,900                | 23,476                     |   |
| <b>Net Surplus/Deficit</b>  | <b>14,289</b>    | <b>7,627</b>     | <b>10,354</b>    | <b>9,229</b>     | <b>15,418</b>    | <b>15,173</b>    | <b>14,294</b>    | <b>15,854</b>    | <b>5,375</b>     | <b>6,888</b>     | <b>8,304</b>     | <b>11,262</b>    | <b>134,068</b>         | <b>125,535</b>         | <b>8,533</b>               |   |
| <b>Commercial (Bars)</b>    |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                        |                        |                            |   |
| Income                      | 389              | 78,682           | 214,039          | 188,201          | 69,345           | 16,896           | 112,432          | 132,535          | 78,978           | 83,726           | 54,161           | -3,408           | 1,025,975              | 1,032,585              | -6,610                     | Coffee sales and food sales were noticeably down this year, however bar wet sales and hire income offset some of this.<br>Ticket sales on club nights significantly down.<br>Small saving on wages due to timing of recruiting for replacement roles.<br>Expenditure hugely overspent.<br>Some costs relate to one off events with corresponding ticket income. |
| Staff Costs                 | -6,950           | -37,429          | -51,639          | -68,751          | -29,001          | -15,751          | -45,652          | -39,637          | -37,126          | -40,059          | -30,597          | -11,082          | -413,674               | -416,862               | 3,188                      |   |
| Other Expenditure           | -6,125           | -91,506          | -59,432          | -84,312          | -53,050          | -8,518           | -43,750          | -89,886          | -28,133          | -73,007          | -12,431          | -21,834          | -571,983               | -501,776               | -70,207                    |   |
| <b>Net Surplus/Deficit</b>  | <b>-12,687</b>   | <b>-50,254</b>   | <b>102,968</b>   | <b>35,138</b>    | <b>-12,706</b>   | <b>-7,372</b>    | <b>23,030</b>    | <b>3,011</b>     | <b>13,718</b>    | <b>-29,340</b>   | <b>11,134</b>    | <b>-36,324</b>   | <b>40,318</b>          | <b>113,947</b>         | <b>-73,629</b>             |   |
| <b>Commercial (Other)</b>   |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                        |                        |                            |   |
| Income                      |                  | 14,060           | 2,417            |                  |                  | 1,220            |                  | 1,070            | 595              | 555              |                  |                  | 19,916                 | 26,500                 | -6,584                     | £9.6k shortfall in the freshers fayre income due to a reduction in stall hire<br>Some offset by successful street food markets  |
| Staff Costs                 |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                        |                        |                            |   |
| Other Expenditure           |                  |                  | -13              |                  | -185             |                  |                  | -1,680           |                  | -31              |                  | -160             | -2,069                 | -1,750                 | -319                       |   |
| <b>Net Surplus/Deficit</b>  |                  | <b>14,060</b>    | <b>2,404</b>     |                  | <b>-185</b>      | <b>1,220</b>     |                  | <b>-610</b>      | <b>595</b>       | <b>524</b>       |                  | <b>-160</b>      | <b>17,847</b>          | <b>24,750</b>          | <b>-6,903</b>              |   |
| <b>Events</b>               |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                        |                        |                            |   |
| Income                      |                  | 248,536          | 22,158           | -10,714          | 21,814           |                  | 4,219            | 125,941          | 45,552           | 25,871           | 1,657            | 2,787            | 487,820                | 409,000                | 78,820                     | The majority of the income variance £79K and expenditure is linked to the 2nd Freshers week that was put on for 2020 students - this income was not budgeted for.   |
| Staff Costs                 | -5,770           | -10,060          | -4,444           | -2,284           | -21              | -176             | -85              | 90               | -6,673           | -1,095           | -2,721           |                  | -33,238                | -30,515                | -2,723                     |   |
| Other Expenditure           | -40,679          | -175,316         | -53,411          | 15,107           |                  | -14,037          | -1,617           | -7,461           | -12,976          | -76,176          | -88,405          | -551             | -455,520               | -388,701               | -66,819                    |   |
| <b>Net Surplus/Deficit</b>  | <b>-46,448</b>   | <b>63,161</b>    | <b>-35,697</b>   | <b>2,109</b>     | <b>21,793</b>    | <b>-14,213</b>   | <b>2,517</b>     | <b>118,571</b>   | <b>32,576</b>    | <b>-56,978</b>   | <b>-87,844</b>   | <b>-485</b>      | <b>-938</b>            | <b>-10,216</b>         | <b>9,278</b>               |   |
| <b>Marketing &amp; Web</b>  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                        |                        |                            |   |
| Income                      | 877              | 4,809            | 8,624            | 4,567            | 719              | 4,381            | 4,159            | 8,456            | 1,222            | 12,024           | 3,822            | 974              | 54,635                 | 47,500                 | 7,135                      | Advertising income higher than budgeted, offset lower sponsorship.<br>Staff agency costs increased<br>Costs savings ostly by using student staff rather than external design agencies.  |
| Staff Costs                 |                  |                  | -4,878           | -2,361           | -3,656           | -2,054           | -1,900           | -1,006           | -4,183           | -1,875           | -5,407           | 22               | -27,298                | -19,350                | -7,948                     |   |
| Other Expenditure           | -5,227           | -8,621           | -2,447           | -3,517           | -2,362           | -2,519           | -3,301           | -3,090           | -3,558           | -1,794           | 528              | -3,541           | -39,449                | -45,738                | 6,289                      |   |
| <b>Net Surplus/Deficit</b>  | <b>-4,350</b>    | <b>-3,812</b>    | <b>1,299</b>     | <b>-1,312</b>    | <b>-5,298</b>    | <b>-192</b>      | <b>-1,042</b>    | <b>4,360</b>     | <b>-6,520</b>    | <b>8,356</b>     | <b>-1,057</b>    | <b>-2,545</b>    | <b>-12,113</b>         | <b>-17,588</b>         | <b>5,475</b>               |   |

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**APPENDIX 2: CONTINUED**

| Unrestricted / Core Summary    | August           | September        | October          | November         | December         | January          | February         | March            | April            | May              | June             | July             | YTD                    |                        |                            | Variance commentary  |
|--------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------------|------------------------|----------------------------|--|
|                                | 2021 Actual<br>£ | 2021 Actual<br>£ | 2021 Actual<br>£ | 2021 Actual<br>£ | 2021 Actual<br>£ | 2022 Actual<br>£ | 2022 Actual<br>£ | 2022 Actual<br>£ | 2022 Actual<br>£ | 2022 Actual<br>£ | 2022 Actual<br>£ | 2022 Actual<br>£ | Actual<br>2021-22<br>£ | Budget<br>2021-22<br>£ | Variance to<br>budget<br>£ |  |
| <b>Media</b>                   |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                        |                        |                            |  |
| Income                         |                  | 6,469            |                  |                  | 65               |                  |                  |                  |                  |                  | 135              | 400              | 98                     | 7,167                  | 6,369                      | 798  |
| Staff Costs                    |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                        |                        |                            |  |
| Other Expenditure              |                  | -63              |                  | -1,759           | -120             | -262             | -150             | -518             | -17              | -615             | -1,325           | -2,128           | -6,958                 | -6,369                 | -589                       | On budget  |
| <b>Net Surplus/Deficit</b>     |                  | <b>6,406</b>     |                  | <b>-1,759</b>    | <b>-55</b>       | <b>-262</b>      | <b>-150</b>      | <b>-518</b>      | <b>-17</b>       | <b>-480</b>      | <b>-925</b>      | <b>-2,030</b>    | <b>209</b>             | <b>0</b>               | <b>209</b>                 |  |
| <b>Peer Support</b>            |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                        |                        |                            |  |
| Income                         |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                        |                        |                            |  |
| Staff Costs                    |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                        | -2,350                 | 2,350                      | Savings due to continued remote conferences and reduced in person training |
| Other Expenditure              |                  | -45              | -21              | -13              | -133             | -236             | -223             | -130             | -100             | -401             | -1,138           | -232             | -2,672                 | -6,335                 | 3,663                      |  |
| <b>Net Surplus/Deficit</b>     |                  | <b>-45</b>       | <b>-21</b>       | <b>-13</b>       | <b>-133</b>      | <b>-236</b>      | <b>-223</b>      | <b>-130</b>      | <b>-100</b>      | <b>-401</b>      | <b>-1,138</b>    | <b>-232</b>      | <b>-2,672</b>          | <b>-8,685</b>          | <b>6,013</b>               |  |
| <b>Societies</b>               |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                        |                        |                            |  |
| Income                         |                  |                  |                  | 5,117            | -28              |                  |                  |                  |                  |                  |                  |                  | 5,089                  | 5,500                  | -411                       |  |
| Staff Costs                    |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                        |                        |                            |  |
| Other Expenditure              |                  | -68              | -2,395           | -1,696           | -3,439           | -830             |                  | -167             | 167              | -121             | -1               |                  | -8,550                 | -9,010                 | 460                        | On budget  |
| <b>Net Surplus/Deficit</b>     |                  | <b>-68</b>       | <b>-2,395</b>    | <b>3,421</b>     | <b>-3,468</b>    | <b>-830</b>      |                  | <b>-167</b>      | <b>167</b>       | <b>-121</b>      | <b>-1</b>        |                  | <b>-3,462</b>          | <b>-3,510</b>          | <b>49</b>                  |  |
| <b>Hall Reps</b>               |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                        |                        |                            |  |
| Income                         |                  |                  |                  | 150              |                  | 100              |                  |                  |                  |                  |                  |                  | 250                    | 3,865                  | -3,615                     |  |
| Staff Costs                    |                  |                  |                  |                  | -250             | -64              |                  | -32              |                  |                  |                  |                  | -345                   | -480                   | 135                        |  |
| Other Expenditure              | -32              | -82              |                  | -2,160           | -1,667           | -229             | -77              | -409             | -1,359           | -1,113           | 0                | -587             | -7,714                 | -14,127                | 6,412                      | Activity not resumed to pre covid levels                                   |
| <b>Net Surplus/Deficit</b>     | <b>-32</b>       | <b>-82</b>       |                  | <b>-2,010</b>    | <b>-1,917</b>    | <b>-193</b>      | <b>-77</b>       | <b>-441</b>      | <b>-1,359</b>    | <b>-1,113</b>    | <b>0</b>         | <b>-587</b>      | <b>-7,810</b>          | <b>-10,742</b>         | <b>2,932</b>               |  |
| <b>Sport</b>                   |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                        |                        |                            |  |
| Income                         | 40               | 20,187           | 72,212           | 9,423            | 1,899            | 12,295           | 9,424            | 2,721            | 5,551            | -54              | 223              | -12,614          | 121,306                | 132,408                | -11,102                    | Income shortfall on BUCS Tournament, offset by cost saving                 |
| Staff Costs                    |                  |                  |                  |                  |                  |                  |                  |                  |                  | -84              | -45              | -62              | -340                   |                        | -340                       | Large savings in BUCS league & tournament costs, not forecast              |
| Other Expenditure              | -23,474          | -1,508           | -25,556          | -36,762          | -19,914          | -4,894           | -41,076          | -30,533          | -19,377          | -15,331          | -9,487           | 5,496            | -222,415               | -254,006               | 31,591                     | Club Development, Coach Education & Recreational under spent.              |
| <b>Net Surplus/Deficit</b>     | <b>-23,434</b>   | <b>18,679</b>    | <b>46,656</b>    | <b>-27,339</b>   | <b>-18,015</b>   | <b>7,401</b>     | <b>-31,652</b>   | <b>-27,812</b>   | <b>-13,909</b>   | <b>-15,430</b>   | <b>-9,326</b>    | <b>-7,268</b>    | <b>-101,449</b>        | <b>-121,598</b>        | <b>20,149</b>              | Usual equipment replacement not needed due to lower usage.                 |
| <b>Student Voice</b>           |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                        |                        |                            |  |
| Income                         |                  |                  |                  |                  | 2,450            |                  |                  |                  |                  |                  |                  |                  | 2,450                  |                        | 2,450                      | The income was offset in the expenditure so the variance was zero.         |
| Staff Costs                    | -109             |                  |                  | -136             | -454             | -82              | -451             | -1,011           | -203             | -1,106           | 597              | -807             | -3,763                 | -6,100                 | 2,337                      | Reduction of in-person activities meant lower expenditure.                 |
| Other Expenditure              |                  | -3,607           | -77              | -107             | -895             | -354             | -303             | -605             | 2,250            | -6,106           | -1,496           | 1,794            | -9,504                 | -13,616                | 4,112                      |  |
| <b>Net Surplus/Deficit</b>     | <b>-109</b>      | <b>-3,607</b>    | <b>-77</b>       | <b>-243</b>      | <b>1,101</b>     | <b>-436</b>      | <b>-753</b>      | <b>-1,616</b>    | <b>2,047</b>     | <b>-7,212</b>    | <b>-899</b>      | <b>988</b>       | <b>-10,817</b>         | <b>-19,716</b>         | <b>8,899</b>               |  |
| <b>Volunteering Support</b>    |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                        |                        |                            |  |
| Income                         |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  | 20,000           | 20,000                 |                        | 20,000                     | The 20K income was University funding to unfreeze coordinator role in      |
| Staff Costs                    |                  |                  |                  |                  |                  | -30              | -107             | -20              |                  |                  |                  |                  | -157                   |                        | -157                       | FY2021. Delayed recruitment meant brought forward to FY2122.               |
| Other Expenditure              |                  | -68              |                  |                  | -7               | -9               |                  | -3               | -5               | -33              | -15              | -383             | -523                   | -1,080                 | 558                        |  |
| <b>Net Surplus/Deficit</b>     |                  | <b>-68</b>       |                  |                  | <b>-7</b>        | <b>-39</b>       | <b>-107</b>      | <b>-23</b>       | <b>-5</b>        | <b>-33</b>       | <b>-15</b>       | <b>19,617</b>    | <b>19,320</b>          | <b>-1,080</b>          | <b>20,401</b>              |  |
| <b>Total Income</b>            | <b>158,645</b>   | <b>534,863</b>   | <b>482,138</b>   | <b>356,476</b>   | <b>260,082</b>   | <b>195,548</b>   | <b>293,186</b>   | <b>440,320</b>   | <b>292,535</b>   | <b>282,059</b>   | <b>219,978</b>   | <b>368,528</b>   | <b>3,881,435</b>       | <b>3,613,227</b>       | <b>268,208</b>             |  |
| <b>Total Staff Costs</b>       | <b>-140,873</b>  | <b>-175,598</b>  | <b>-184,625</b>  | <b>-197,639</b>  | <b>-163,343</b>  | <b>-143,556</b>  | <b>-174,958</b>  | <b>-171,813</b>  | <b>-163,418</b>  | <b>-54,691</b>   | <b>-43,719</b>   | <b>-18,171</b>   | <b>-2,059,697</b>      | <b>-2,071,101</b>      | <b>11,404</b>              |  |
| <b>Total Other Expenditure</b> | <b>-63,413</b>   | <b>-420,822</b>  | <b>-156,370</b>  | <b>-123,976</b>  | <b>-90,217</b>   | <b>-47,620</b>   | <b>-107,240</b>  | <b>-142,566</b>  | <b>-84,738</b>   | <b>-193,792</b>  | <b>-131,098</b>  | <b>-69,733</b>   | <b>-1,631,924</b>      | <b>-1,566,729</b>      | <b>-65,195</b>             |  |
| <b>Total Surplus/deficit</b>   | <b>-45,640</b>   | <b>-61,556</b>   | <b>141,143</b>   | <b>34,861</b>    | <b>6,522</b>     | <b>4,372</b>     | <b>10,988</b>    | <b>125,942</b>   | <b>44,380</b>    | <b>33,576</b>    | <b>45,161</b>    | <b>280,625</b>   | <b>189,813</b>         | <b>-24,603</b>         | <b>214,416</b>             |  |

**REPORT ON VAT ON SUPPLY OF STAFF**  
**APPENDIX 3: RESERVES SUMMARY JULY 22**

**R2**

| <b>Summary of SU : 12 months to 31 July 2022</b> |                                      |  |                                     |
|--|--------------------------------------|--|-------------------------------------|
|  | <b>Reserves /<br/>Rollover funds</b> | <b>Net surplus/deficit<br/>12 months to 31 July<br/>2022</b> | <b>Reserves /<br/>carry forward</b> |
|  | <b>£</b>                             | <b>£</b>   | <b>£</b>                            |
| <b>Unrestricted funds:</b>                       |                                      |  |                                     |
| Union Administration                             |                                      | 1,261,573  |                                     |
| Advice & Support                                 |                                      | -137,288   |                                     |
| Arts   |                                      | 29,005   |                                     |
| Commercial (Bars)                                |                                      | 40,318   |                                     |
| Commercial (Other)                               |                                      | 17,847   |                                     |
| Events   |                                      | -24,838  |                                     |
| Marketing & web site                             |                                      | -132,839   |                                     |
| Media  |                                      | 209  |                                     |
| Peer Support                                     |                                      | -150,064   |                                     |
| Societies support                                |                                      | -65,897  |                                     |
| Hall reps  |                                      | -49,841  |                                     |
| Sport  |                                      | -294,884   |                                     |
| Student Voice                                    |                                      | -242,097   |                                     |
| Volunteering support                             |                                      | -61,392  |                                     |
| <b>Unrestricted funds: Total</b>                 | <b>355,192</b>                       | <b>189,813</b>   | <b>545,005</b>                      |
| <b>Restricted funds:</b>                         |                                      |  |                                     |
| Societies: Individual groups                     | 55,416                               | -2,965   | 52,450                              |
| Societies : Centrally administered               | 15,237                               | -5,619   | 9,618                               |
| Sports: Individual clubs                         | 25,236                               | 23,677   | 48,913                              |
| Sports : Centrally administered                  | 93,903                               | 26,015   | 119,918                             |
| Policy & Activism Groups                         | 780                                  | 0  | 780                                 |
| Media Central                                    | 303                                  | -69  | 234                                 |
| Alumni   | 53,256                               | -6,981   | 46,274                              |
| SCP  | 13,428                               | 4,776  | 18,204                              |
| Student Development                              | 20,315                               | 16,305   | 36,621                              |
| Club Assets                                      | 38,988                               | -7,863   | 31,125                              |
| Peer Support                                     | 18,938                               | 765  | 19,703                              |
| <b>Restricted funds:Total</b>                    | <b>335,798</b>                       | <b>48,041.54</b>   | <b>383,840</b>                      |
| <b>Designated Funds:</b>                         |                                      |  |                                     |
| Volunteering, Support and Liberation Groups      | 9,192                                | 1,207  | 10,399                              |
| <b>Designated Funds:Total</b>                    | <b>9,192</b>                         | <b>1,207</b>   | <b>10,399</b>                       |
| <b>Custodian Funds:</b>                          |                                      |  |                                     |
| RAG  | 2,048                                | 17   | 2,064                               |
| <b>Custodian Funds: Total</b>                    | <b>2,048</b>                         | <b>17</b>  | <b>2,064</b>                        |
| <b>GRAND TOTAL</b>                               | <b>702,230</b>                       | <b>239,078</b>   | <b>941,308</b>                      |
| <b>Unrestricted funds: Total</b>                 |                                      |  |                                     |
|  | <b>355,192</b>                       | <b>189,813</b>   | <b>545,005</b>                      |
| Less:  |                                      |  |                                     |
| Tangible Fixed Assets                            | 75,778                               |  | 69,656                              |
| Unrestricted free reserves                       | 279,414                              |  | 475,349                             |
| <b>Minimum permanent reserves held</b>           | <b>150,000</b>                       |  | <b>150,000</b>                      |
| Free reserves available                          | 129,414                              |  | 325,349                             |

**PURPOSE**

To provide Trustees with an update on the VAT on supply of staff.

**REPORT****BACKGROUND**

SU staff are employees of the University. Salary costs are recharged to the SU each month, along with telephone, estates, printing and other university recharges. To date, VAT is added to all non-pay costs, but not to pay costs. The SU is unable to reclaim all VAT as some of our areas are classed as exempt or non-recoverable. If pay costs were to be deemed taxable our costs would increase by approx. £200k pa.

- 1.1 We have been awaiting the outcome of HMRC's assessment of the VAT on supplies of staff between the University and the SU. The University has now had confirmation from HMRC that the supply of staff should be taxable. They have decided not to appeal this decision.
- 1.2 HMRC has requested invoices covering the last four years and will seek to recover the unpaid VAT. The University has confirmed that they will cover the 'net' cost of this additional VAT. This is estimated at ~£800k.
- 1.3 The University has also confirmed that they will provide additional budget for 22/23 to cover the unrecoverable VAT suffered by the SU as a result of the University now invoicing VAT on staff costs, we estimate the run rate of this to be £17k per month.
- 1.4 This gives us certainty over the historical transactions and the ongoing position from a funding perspective for which we are grateful.
- 1.5 The University will investigate options for a future arrangement that will mitigate these costs to both our organisations. They will involve the SU in discussions around this and the Board will be kept informed.
- 1.6 Crowe have been informed and are advising on the historical transactions. We will continue to use their expertise throughout this matter.
- 1.7 There is a risk that this activity will invite HMRC's interest and a possible visit or audit from them.
- 1.8 This has been an item of on our risk register due to the potential penalty or historical costs. This can now be removed.

**ACTIONS**

The Finance & Audit Committee are asked to note the report.

|                 |   |  |
|-----------------|---|--|
| <b>CONTACT:</b> | Helen McHenry ( <i>SU Head of Finance</i> ) | E-Mail: <a href="mailto:sushmw@bath.ac.uk">sushmw@bath.ac.uk</a> |
|-----------------|---|--|

**PURPOSE**

To provide a report on proposed updates to the risk register.

**CONTENTS**

- Page 1-2: Report
- Page 2: Actions
- Page 3-5: Appendix 1: Proposed 2022-2023 Risk Register
- Page 6-7: Appendix 2: 2021-2022 Risk Register

**REPORT**

**1. Background**

- 1.1. Risk is defined as uncertainty surrounding events and their outcomes that may have a significant impact on activity or operations. Risk is an everyday part of charitable activity and managing it effectively is essential for The SU to achieve key objectives and safeguard its funds and assets.
- 1.2. The SU uses a risk register to record the significant risks to the organisation along with the controls & measures that have been put in place to help mitigate these.
- 1.3. Risks are assessed by assigning a value between 1-5 to likelihood and impact. These scores are then multiplied to create the risk score. The 'gross risk' is the overall risk without any controls or measures in place. The 'net risk' is the score after controls & measures are applied.
- 1.4. The aim, where possible, is to reduce the net risk to low or medium. Risks are classified as:

| Risk Key    | Score | Impact  |
|-------------|-------|---|
| Low risk    | 1-9   | Small and easily managed at operational level       |
| Medium risk | 10-16 | Overall performance might be significantly affected |
| High risk   | 17-25 | Potentially catastrophic for The SU                 |

- 1.5. The risk register is annually reviewed and is scheduled to go the June Board of Trustees. However, a gap between having a staff member for governance in post meant there was not capacity for the risk register to be completed for the June Board of Trustees.
- 1.6. The intention for future risk registers is to submit them to the June board.

**2. Recommended changes for 2022-23**

- 2.1. The following are recommended changes to existing items on the 2021-22 risk register (Appendix 1) to make it reflective of risks for 2022-23:
  - Item 2: "University review of VAT treatment on staff salary recharges results in significant cost to SU", to be removed completely as the review has happened.
  - Item 6: "High staff turnover or loss of key staff impacts on team's ability to deliver service", to have likelihood increased to a 5 to reflect current recruitment concerns and current number of staff vacancies.
  - Item 8: "Poor Covid-19 measures results in local outbreak," to be removed due to no government restrictions in England and the Covid-19 alert level being reduced to a level 2 across the UK.
  - Item 13 "Poor Student Member satisfaction and engagement leads to disengagement with The SU" to have likelihood increased to reflect lower engagement in activities such as the officer elections.
- 2.2. A draft Risk Register has been created with the above recommendations (Appendix 2)

2.3. A new risk that arose this year and will be ongoing is the long-term absence of a Chief Executive at The SU. There are two proposed recommendations to ensure the long-term absence is reflected in the risk assessment:

- A. Create a new item on the risk register specifically about the long-term absence of a Chief Executive at The SU.
- B. Include risks regarding the long-term absence of the Chief Executive in the existing items 5 and 6: “Poor strategic planning results in poor use of resources” and “High staff turnover or loss of key staff impacts on team’s ability to deliver service”. This would include adjusting the items phrasing and scoring to reflect the inclusion of the Chief Executive long-term absence more adequately.

|                |
|----------------|
| <b>ACTIONS</b> |
|----------------|

The Finance and Audit Committee are invited to:

- Provide recommendations and comments on the proposed 2022-23 Risk Register.
- Recommend the 2022-23 Risk Register to the Board of Trustees subject to changes agreed by the committee.

|          |   |                          |
|----------|---|--------------------------|
| CONTACT: | Beki Self (Senior Administrator (Governance)) | Email: ras232@bath.ac.uk |
|----------|---|--------------------------|

**REPORT ON RISK REGISTER**  
**APPENDIX 1: Risk Register 2021-22**

**R3**

| Risk Key    | Score | Impact  |
|-------------|-------|---|
| Low risk    | 1-9   | Small and easily managed at an operational level    |
| Medium risk | 10-16 | Overall performance might be significantly affected |
| High risk   | 17-25 | Potential to be catastrophic for The SU             |

|   | Risk(s) identified   | Impact | Likelihood | Gross Risk | Controls & measures   | Impact | Likelihood | Net Risk | Movement | Responsibility  |
|---|--|--------|------------|------------|---|--------|------------|----------|----------|---|
| 1 | Change to University block grant and/or poor commercial income impacts on budget               | 5      | 4          | 20         | Monthly monitoring of business performance and return.<br>Reserves to cover adverse commercial conditions or small changes to budget.<br>Budget annually approved and management accounts reviewed quarterly. | 5      | 4          | 20       | -0       | Head of Finance/Head of Commercial/Chief Executive<br>Head of Finance/Finance & Audit Committee<br>Finance & Audit Committee/Board of Trustees  |
| 2 | University review of VAT treatment on staff salary recharges results in significant cost to SU | 5      | 4          | 20         | Monitoring the situation  | 5      | 4          | 20       | -0       | Head of Finance   |
| 3 | Poor health & safety leads to accident resulting in serious injury or death.                   | 5      | 4          | 20         | Health & Safety policy reviewed annually.<br>Health & safety inspections.<br>Insurance cover reviewed annually.<br>Risk assessments for activities.<br>Review of Health & Safety performance and assurance    | 5      | 3          | 15       | -5       | Governance & Executive Support Manager/Leadership committee<br>Governance & Executive Support Manager/SU Safety Coordinator<br>Head of Finance/Chief Executive<br>All Staff/Volunteers<br>Leadership ( <i>bi-annual</i> )/Board of Trustees ( <i>annual</i> ) |
| 4 | Management override of journal processing could lead to fraud                                  | 5      | 4          | 20         | Segregation of duties within finance team<br>Regular, evidenced review of journals and reconciliations<br>Annual review of Finance Policy, systems and procedures<br>Annual external audit review             | 5      | 2          | 10       | -10      | Head of Finance /Finance Manager<br>Head of Finance/Finance Manager/Chief Executive<br><br>Head of Finance/Governance & Support Manager<br><br>Head of Finance/Finance & Audit Committee/Board of Trustees  |
| 5 | Poor strategic planning results in poor use of resources                                       | 4      | 4          | 16         | Budgets linked to annual area planning and business cases<br>Key Performance Indicators reviewed  | 4      | 3          | 12       | -4       | Relevant Manager/Head of Finance/Chief Executive<br>Leadership ( <i>bi-annual</i> )/Board of Trustees ( <i>annual</i> )   |

**REPORT ON RISK REGISTER**
**R3**

|    | <b>Risk(s) identified</b>   | <b>Impact</b> | <b>Likelihood</b> | <b>Gross Risk</b> | <b>Controls &amp; measures</b>   | <b>Impact</b> | <b>Likelihood</b> | <b>Net Risk</b> | <b>Movement</b> | <b>Responsibility</b>  |
|----|---|---------------|-------------------|-------------------|--|---------------|-------------------|-----------------|-----------------|--|
| 6  | High staff turnover or loss of key staff impacts on team's ability to deliver service.                | 4             | 4                 | 16                | HR systems and procedures.<br>1-3 month notice period for staff to allow handover and succession planning.<br>Staff role profiles setting out duties and responsibilities kept up to date.   | 3             | 4                 | 12              | -4              | University<br>Staff member/relevant line manager<br>Relevant line manager/University   |
| 7  | Poor budgetary control and financial reporting results in poor use of resources and/or financial loss | 4             | 4                 | 16                | Budgets linked to annual area planning and business cases<br>Procedures for segregation of duties and authorisation of expenditure.<br>SU bank accounts monitored by Finance team.<br>Budget annually approved and management accounts reviewed quarterly. | 3             | 4                 | 12              | -4              | Relevant Manager/Head of Finance/Chief Executive<br>Head of Finance<br>Head of Finance<br>Finance & Audit Committee/Board of Trustees  |
| 8  | Poor Covid-19 measures results in local outbreak  | 5             | 3                 | 15                | All rooms have been risked assessed.<br>Room occupancy and one way systems set-up.<br>Student Groups must COVID-19 risk assess their activities/events.<br>Attendance at all events registered to allow for track and trace if required.                   | 5             | 2                 | 10              | -5              | Relevant Manager/University<br>Relevant Manager/University<br>Student Groups/relevant area<br>Student Groups/relevant area   |
| 9  | Poor security of assets results in financial loss   | 5             | 3                 | 15                | Asset register<br>Insurance cover reviewed annually.<br>Facilities owned and managed by the University.  | 4             | 3                 | 12              | -3              | Head of Finance<br>Head of Finance/Chief Executive<br>University   |
| 10 | Fraud or error results in financial loss  | 4             | 3                 | 12                | Procedures for segregation of duties and authorisation of expenditure.<br>Insurance cover reviewed annually.<br>Annual external audit.<br>SU bank accounts monitored by Finance team.  | 4             | 2                 | 8               | -4              | Head of Finance<br>Head of Finance/Chief Executive<br>Head of Finance/Finance & Audit Committee/Board of Trustees<br>Head of Finance   |
| 11 | Poor information security results in data breach  | 4             | 3                 | 12                | IT systems and data back-up.<br>Data sharing agreement with University.<br>GDPR training for staff and student groups.<br>Data protection policy reviewed every two years.<br>Privacy policy reviewed every two years.                                     | 4             | 2                 | 8               | -4              | University<br>Chief Executive/University<br>University/Activities Team/Peer Support team<br>Governance & Executive Support Manager/Leadership committee<br>Governance & Executive Support Manager/Leadership committee |



**REPORT ON RISK REGISTER**

**R3**

|    | <b>Risk(s) identified</b>  | <b>Impact</b> | <b>Likelihood</b> | <b>Gross Risk</b> | <b>Controls &amp; measures</b>  | <b>Impact</b> | <b>Likelihood</b> | <b>Net Risk</b> | <b>Movement</b> | <b>Responsibility</b>   |
|----|--|---------------|-------------------|-------------------|---|---------------|-------------------|-----------------|-----------------|---|
| 12 | Poor relationship with principle funder ( <i>University</i> ) undermines The SU    | 4             | 3                 | 12                | Meetings with University Senior Management team.<br>Reporting on major projects/achievements.   | 4             | 2                 | 8               | -4              | Officers/Chief Executive<br>Officers/Chief Executive  |
| 13 | Poor Student Member satisfaction and engagement leads to disengagement with The SU | 4             | 3                 | 12                | Complaints process for issues to be raised and addressed.<br>Monitoring of number and nature complaints received.<br>Student surveys on satisfaction and engagement.<br>Performance benchmarked against other SU's using NSS survey | 4             | 2                 | 8               | -4              | Governance & Executive Support Manager<br>Leadership Committee.<br>Head of Student Voice/Insights & Engagements Manager<br>Head of Student Voice/Insights & Engagements Manager |

REPORT ON BUSINESS CASE

R4

APPENDIX 2: Proposed Risk Register 2022-23

| Risk Key    | Score | Impact  |
|-------------|-------|---|
| Low risk    | 1-9   | Small and easily managed at an operational level    |
| Medium risk | 10-16 | Overall performance might be significantly affected |
| High risk   | 17-25 | Potential to be catastrophic for The SU             |

|   | Risk(s) identified   | Impact | Likelihood | Gross Risk | Controls & measures   | Impact | Likelihood | Net Risk | Movement | Responsibility  |
|---|--|--------|------------|------------|---|--------|------------|----------|----------|---|
| 1 | Change to University block grant and/or poor commercial income impacts on budget       | 5      | 4          | 20         | Monthly monitoring of business performance and return.<br>Reserves to cover adverse commercial conditions or small changes to budget.<br>Budget annually approved and management accounts reviewed quarterly. | 5      | 4          | 20       | -0       | Head of Finance/Head of Commercial/Chief Executive<br>Head of Finance/Finance & Audit Committee<br>Finance & Audit Committee/Board of Trustees  |
| 2 | Poor health & safety leads to accident resulting in serious injury or death.           | 5      | 4          | 20         | Health & Safety policy reviewed annually.<br>Health & safety inspections.<br>Insurance cover reviewed annually.<br>Risk assessments for activities.<br>Review of Health & Safety performance and assurance    | 5      | 3          | 15       | -5       | Governance staff member/Leadership committee<br>Governance staff member/SU Safety Coordinator<br>Head of Finance/Chief Executive<br>All Staff/Volunteers<br>Leadership ( <i>bi-annual</i> )/Board of Trustees ( <i>annual</i> ) |
| 3 | Management override of journal processing could lead to fraud                          | 5      | 4          | 20         | Segregation of duties within finance team<br>Regular, evidenced review of journals and reconciliations<br>Annual review of Finance Policy, systems and procedures<br>Annual external audit review             | 5      | 2          | 10       | -10      | Head of Finance /Finance Manager<br>Head of Finance/Finance Manager/Chief Executive<br><br>Head of Finance/Governance staff member<br>Head of Finance/Finance & Audit Committee/Board of Trustees                               |
| 4 | High staff turnover or loss of key staff impacts on team's ability to deliver service. | 4      | 5          | 20         | HR systems and procedures.<br>1-3 month notice period for staff to allow handover and succession planning.<br>Staff role profiles setting out duties and responsibilities kept up to date.                    | 3      | 4          | 12       | -4       | University<br>Staff member/relevant line manager<br><br>Relevant line manager/University  |
| 5 | Poor strategic planning results in poor use of resources                               | 4      | 4          | 16         | Budgets linked to annual area planning and business cases<br>Key Performance Indicators reviewed  | 4      | 3          | 12       | -4       | Relevant Manager/Head of Finance/Chief Executive<br><br>Leadership ( <i>bi-annual</i> )/Board of Trustees ( <i>annual</i> )   |

**REPORT ON BUSINESS CASE**

**R4**

|    | <b>Risk(s) identified</b>   | <b>Impact</b> | <b>Likelihood</b> | <b>Gross Risk</b> | <b>Controls &amp; measures</b>   | <b>Impact</b> | <b>Likelihood</b> | <b>Net Risk</b> | <b>Movement</b> | <b>Responsibility</b>  |
|----|---|---------------|-------------------|-------------------|--|---------------|-------------------|-----------------|-----------------|--|
| 6  | Poor budgetary control and financial reporting results in poor use of resources and/or financial loss | 4             | 4                 | 16                | Budgets linked to annual area planning and business cases<br>Procedures for segregation of duties and authorisation of expenditure.<br>SU bank accounts monitored by Finance team.<br>Budget annually approved and management accounts reviewed quarterly. | 3             | 4                 | 12              | -4              | Relevant Manager/Head of Finance/Chief Executive<br><br>Head of Finance<br><br>Head of Finance<br>Finance & Audit Committee/Board of Trustees<br>Relevant Manager/Head of Finance/Chief Executive<br>Leadership (bi-annual)/Board of Trustees (annual) |
| 7  | Poor Student Member satisfaction and engagement leads to disengagement with The SU                    | 4             | 4                 | 6                 | Complaints process for issues to be raised and addressed.<br>Monitoring of number and nature complaints received.<br>Student surveys on satisfaction and engagement.<br>Performance benchmarked against other SU's using NSS survey                        | 4             | 2                 | 12              | -4              | Governance staff member<br><br>Leadership Committee.<br><br>Head of Student Voice/Insights & Engagements Manager<br>Head of Student Voice/Insights & Engagements Manager   |
| 8  | Poor security of assets results in financial loss   | 5             | 3                 | 15                | Asset register<br>Insurance cover reviewed annually.<br>Facilities owned and managed by the University.  | 4             | 3                 | 12              | -3              | Head of Finance<br>Head of Finance/Chief Executive<br>University   |
| 9  | Fraud or error results in financial loss  | 4             | 3                 | 12                | Procedures for segregation of duties and authorisation of expenditure.<br>Insurance cover reviewed annually.<br>Annual external audit.<br>SU bank accounts monitored by Finance team.  | 4             | 2                 | 8               | -4              | Head of Finance<br><br>Head of Finance/Chief Executive<br>Head of Finance/Finance & Audit Committee/Board of Trustees<br>Head of Finance   |
| 10 | Poor information security results in data breach  | 4             | 3                 | 12                | IT systems and data back-up.<br>Data sharing agreement with University.<br>GDPR training for staff and student groups.<br>Data protection policy reviewed every two years.<br>Privacy policy reviewed every two years.                                     | 4             | 2                 | 8               | -4              | University<br>Chief Executive/University<br>University/Activities Team/Peer Support team<br>Governance & Executive Support Manager/Leadership committee<br>Governance & Executive Support Manager/Leadership committee                                 |
| 11 | Poor relationship with principle funder ( <i>University</i> ) undermines The SU                       | 4             | 3                 | 12                | Meetings with University Senior Management team.<br>Reporting on major projects/achievements.  | 4             | 2                 | 8               | -4              | Officers/Chief Executive<br>Officers/Chief Executive   |

|   |                          |            |
|---|--------------------------|------------|
|  UNIVERSITY OF BATH | <b>BUSINESS CASE</b>     | <b>PM1</b> |
| <b>Name of area:</b>  | SU Commercial Operations |            |
| <b>Author / budget holder:</b>  | Mike Dalton              |            |
| <b>Date this doc created/ modified:</b>   | 15/07/2022               |            |
| <b>Authorising sponsor:</b>   |                          |            |

### 1. Overview - desired outcome<sup>1</sup>

As a Students' Union we are keen to develop relationships with our members and enhance their experience. One challenge we have encountered this past year is that our sports clubs have been taking their own alcohol into home fixtures. This has caused problems for the STV as well as raising a potential reputational risk to the SU. This was inevitably stopped at the start of last season at the request of the STV. The rugby club feel that this has detracted from theirs and the visiting teams experience given that other universities allow this.

We would like to work with the clubs and the STV to be able to provide good catering facilities for home games which can be enjoyed in a controlled environment and agreed upon by all stakeholders.

We propose to buy a mobile bar facility to be operated by the SU Commercial team. This would be installed at the STV but could also be moveable so that it could be used for other events such as FW and SB.

There are 10 BUCS Super Rugby home games each year. Estimated attendance to these is around 4-500 at each event.

### 2. Reasons

- To cater for the BUCS Super Rugby
- To have the potential to cater for other events.
- To use at the Summer ball. These units are usually hired at around £1000 per event.
- To enhance the student experience for all of our members as there would be scope for other sports clubs and societies to make use of this facility.

### 3. Benefits expected

An opportunity for some commercial revenue after initial loan is paid back. Potential for further opportunities. Enhanced student experience.

### 4. Costs

Looking at second hand units to keep down initial costs.

Initial research on ebay estimated budget would be 8k for the Unit.

<https://www.ebay.co.uk/itm/175397166445?ViewItem=&item=175397166445>

Then £1.5k to be rebranded the unit.

New or better Units 20-30k dependant on spec.

<https://profitable-business-for-sale.co.uk/listing/72696/20ft-fully-equipped-shipping-container-bar>

<https://www.ebay.co.uk/itm/265807458255?hash=item3de35befcf:g:qmYAAOSwKE9i55lq&amdata=enc%3AAQAHA8LJixR66TvB8DMxIVvLsVsky3BGLQzn%2Fsf34TZICgyDRUD0MDct%2BdlwSlbb9AgDqFidzST2CDItsEPMCFzJD6Vj8sUMYgEridJW%2BBmVt76Vp6e3JCLhDuxN8NqQFFAXdsdXjypHITdA3bYRmEdY78c5nJD5GyMStn00J7JQIBk%2B%2BCILQs6OGcWsytkVC7ITUVCCMx49Rj>

## REPORT ON BUSINESS CASE

R4

[u6B0HZ1aR%2FGvQGcIAc%2BhuAfOQ5G54MvT%2Bd9Tx%2BfmsFn5qfi3z0JIQfdHvPbShZ%2BppQjSJPPys73UmXHkE%2FXaKZBp7PKsPKq8ThFulwudqLMICK1%2FF0LWNxA%3D%3D%7Ctkp%3ABFBMoIShit9g](#)

Expected pay back would be over 2 years with this becoming profitable after this time.

|                     |        |       |  |
|---------------------|--------|-------|--|
|                     | Volume | Price |  |
| Sales               | 400    | £3.50 | £1,400.00 gross  |
|                     |        |       | £1,166.67 net  |
| less                |        |       |  |
| Cost of sales @ 35% |        |       | £408.33  |
| Staff costs         |        |       | <u>£250.00</u>   |
|                     |        |       | £508.34 estimated profit per event, 10 events per year |

### 5. Dependencies

This project requires expenditure from the SU. Maintenance money generated through sales. Brand owners will maintain equipment.

### 6. Timescale

First Super Rugby game is 28<sup>th</sup> Sept.

### 7. Key Risks

*What might reduce the chances of successfully achieving the goals of the change, and what could be done to reduce those risks?*

| Risk<br>(what might go wrong)      | Impact<br>(Estimate 1-5) | Probability<br>(Estimate 1-5) | Severity<br>(Impact x probability) | Risk Response<br>How will the possible impact be reduced? |
|------------------------------------|--------------------------|-------------------------------|------------------------------------|---|
| Project exceeds budget or timeline | 4                        | 2                             | 8                                  | Written quotes and order in if approval met asap.         |
| Assuming financial risk of asset   | 1                        | 3                             | 4                                  | Make sure suitable insurance cover.                       |
| Stakeholder agreement fails        | 2                        | 2                             | 4                                  | Sell or repurpose unit.                                   |
|                                    |                          |                               |                                    |   |

### 8. Evaluation

Not only will this prove to be a great facility for members to use but will also help rebuild relationships within our student community. This has been requested by key groups. It is also part of an overarching plan to invest and rebuild our Wednesday night commercial night club offer.