

# Estimates 2023/24

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| Subject:     | <b>Estimates 2023-24</b>  |
| Produced by: | Taylor Sounes, Chair of Finance Committee, Undergraduate Education Officer  |
| To:          | Union Council   |
| Date:        | 25 <sup>th</sup> May 2023   |
| Action:      | To approve  |
| Purpose:     | Under the framework for finance and budgeting, the Union Council and Board annually agrees a set of “Estimates” that reflect spending priorities for the year ahead. The Board later agrees a set of “Detailed Internal Budgets” that reflect these priorities and that have involved detailed considerations from managers. This paper proposes a set of Estimates for the year ahead. |

## Introduction

Under the framework for finance and budgeting, the Union Council annually agrees a set of “Estimates” that reflect spending priorities for the year ahead. This becomes the financial policy document for the year ahead.

The Trustee Board then agrees a set of “Detailed Internal Budgets” that reflects priorities in the Estimates and that have involved detailed considerations from managers taken in the round with detailed outturn figures for the previous year.

UEASU Group comprises a core Charity vehicle and two subsidiary companies which operate on campus licensed trade and the Waterfront respectively. Infrastructure costs and management costs within the Charity are higher than may usually be expected for the level of activity; this reflects the fact that the Charity provides HR, Finance, Management and Buildings costs for the Social Enterprises. These are reflected through recharges in the Statutory Accounts.

Estimates only detail the Charity portion of the Union’s spend. This is the money that is spent on departments and campaigns directly for students, including the pots of money accessible to students for different things. It also does not go into detail on the staff costs of these departments, primarily due to these being fixed in the short term and therefore not something that can be particularly changed following feedback from Council for this year’s budget. The detailed budgets for next year, including both Staff Costs and the Social Enterprise, are available by contacting the Chair of Finance Committee listed above.

Estimates is not the only way that Council feed into the budgetary and finance processes. Two members of the Union Council sit on the Finance Committee, as does one of the PTO Trustees. Students can also be Student Trustees on the full Trustee Board, which approves detailed internal budgets. These settings allow students to feed into all aspects of the Union’s Finances, including staff costs and Venues performance.

## How to Challenge the Estimates

Members of Union Council may table a motion to refer back the Estimates in full (ie to reject the budget) or part of them. This must be submitted in writing to [su.voice@uea.ac.uk](mailto:su.voice@uea.ac.uk) and the Chair of Council by **5pm Tuesday 23<sup>rd</sup> May**. The Chair of the Finance Committee will then respond in writing to any members tabling motions before Union Council, indicating the implications of the motions.

A motion will only be in order if it is composed of two parts:

- (i) Which Project Heading/Budget Item where the specified expenditure should be increased and by how much.
- (ii) Which Project Heading/Budget Item where the specified expenditure should be decreased and by how much.

Questions on the Estimates may be asked from the floor of Council. Priority on the asking of such questions will be given to Members which have tabled motions. It is possible that members of Union Staff could be invited to speak on the floor of Council to explain the budgetary decisions if the Chair of Finance Committee is not able to.

Any motions relating to the Estimates in part or full must be received by the Amendments Deadline for this meeting of the Union Council, i.e 48 hours before.

### **Layout of Estimates**

Estimates is primarily made up of the table on Page 3. This lists each "Project Heading/Budget Line" and the provisional budget that is assigned to each line. Each of the "Activities" listed are a student facing campaign or project that each of the departments are carrying out next year. These projects are primarily decided upon based on the Union's long term strategy that is informed by student Officers and emerging student priorities. Union Council is invited to comment on and debate where the priorities in these areas should be if they feel that Estimates is not reflecting that.

In the appendix to this document, there is some background information to the Union's financial position. It outlines both the union's financial policy more broadly.

If further information is required, please contact the Chair of the Finance Committee by emailing [t.sounes@uea.ac.uk](mailto:t.sounes@uea.ac.uk)

**Estimates 2023/24**

| <b>Project<br/>Heading/Budget<br/>Item</b> | <b>Advice,<br/>Community<br/>and Welfare</b> | <b>Housing</b> | <b>Academic<br/>Engagement,<br/>Student Voice<br/>and Equality</b> | <b>Activities and<br/>Opportunities</b> | <b>Student<br/>Officers</b> | <b>Charity<br/>Dept<br/>Admin</b> | <b>Total</b>    |
|--|--|----------------|--|---|-----------------------------|-----------------------------------|-----------------|
| <b>Infrastructure</b>                      |  |                |  |   |                             |                                   |                 |
| Insurance                                  | £560   |                |  |   |                             |                                   | £560            |
| Subscriptions                              | £3,000                                       | £7,400         | £3,675   |   |                             |                                   | £14,075         |
| Equipment                                  | £500   |                | £500   | £500                                    |                             |                                   | £1,500          |
| Trustee Expenses                           |  |                |  |   | £2,000                      |                                   | £2,000          |
| NUS Affiliation                            |  |                |  |   | £13,025                     |                                   | £13,025         |
| <b>Total</b>                               | <b>£4,060</b>                                | <b>£7,400</b>  | <b>£4,175</b>  | <b>£500</b>                             | <b>£15,025</b>              | <b>£0</b>                         | <b>£31,160</b>  |
| <b>Departmental Spend</b>                  |  |                |  |   |                             |                                   |                 |
| Stationary/Materials                       |  |                |  |   |                             | £1,200                            | £1,200          |
| Training                                   |  |                |  |   | £8,000                      | £10,000                           | £18,000         |
| Uniforms                                   |  |                |  |   | £880                        |                                   | £880            |
| Travel                                     | £1,000                                       |                | £1,000   | £1,000                                  | £4,000                      | £1,500                            | £8,500          |
| Staff welfare etc                          | £500   |                | £500   | £500                                    | £500                        | £3,000                            | £5,000          |
| <b>Total</b>                               | <b>£1,500</b>                                | <b>£0</b>      | <b>£1,500</b>  | <b>£1,500</b>                           | <b>£13,380</b>              | <b>£15,700</b>                    | <b>£33,580</b>  |
| <b>Activities/Campaigns</b>                |  |                |  |   |                             |                                   |                 |
| Don't Drop Out                             | £500   |                |  |   |                             |                                   | £500            |
| Tampons                                    | £3,500                                       |                |  |   |                             |                                   | £3,500          |
| Safer Taxi                                 | £250   |                |  |   |                             |                                   | £250            |
| Elections                                  |  |                |  |   | £8,000                      | £2,500                            | £10,500         |
| Conferences                                | £1,000                                       |                | £1,000   | £1,000                                  | £4,000                      | £1,000                            | £8,000          |
| Campaigns                                  |  |                | £2,000   |   |                             |                                   | £2,000          |
| Liberation/Equality/<br>Diversity          |  |                | £4,000   |   | £2,000                      |                                   | £6,000          |
| SOC Projects                               |  |                |  |   | £5,000                      |                                   | £5,000          |
| Welfare Project                            | £2,000                                       |                |  |   |                             |                                   | £2,000          |
| SU Awards                                  |  |                |  |   |                             | £6,000                            | £6,000          |
| Academic<br>Representation                 |  |                | £6,000   |   |                             |                                   | £6,000          |
| HSC Engagement                             |  |                | £2,000   |   |                             |                                   | £2,000          |
| Buddy Activities                           | £2,500                                       |                |  |   |                             |                                   | £2,500          |
| Research                                   |  |                | £1,000   |   |                             |                                   | £1,000          |
| Postgraduate SU                            |  |                | £10,000  |   |                             |                                   | £10,000         |
| Peer Support Groups                        |  |                |  | £3,000                                  |                             |                                   | £3,000          |
| Nightline                                  |  |                |  | £2,000                                  |                             |                                   | £2,000          |
| Welcome Week                               |  |                |  |   |                             | £18,000                           | £18,000         |
| Societies Grants/<br>Sponsorship           |  |                |  | £20,000                                 |                             |                                   | £20,000         |
| Media Collective                           |  |                |  | £20,000                                 |                             |                                   | £20,000         |
| Alcohol Impact                             |  |                |  | £7,000                                  |                             |                                   | £7,000          |
| International SU                           |  |                |  | £3,000                                  |                             |                                   | £3,000          |
| Contingency                                |  |                |  |   |                             | £1,500                            | £1,500          |
| <b>Total</b>                               | <b>£9,750</b>                                | <b>£0</b>      | <b>£26,000</b>   | <b>£56,000</b>                          | <b>£19,000</b>              | <b>£29,000</b>                    | <b>£139,750</b> |
| <b>Total Non Staff<br/>Spend</b>           | <b>£15,310</b>                               | <b>£7,400</b>  | <b>£31,675</b>   | <b>£58,000</b>                          | <b>£47,405</b>              | <b>£44,700</b>                    | <b>£204,490</b> |

## Background to the Estimates 2023/24

### Union Financial Policy

- To consistently perform to budget, ending the annual cycle of producing year end deficits
- Ensuring the reserve is healthy and used for the benefit of students
- Reducing direct expenditure on infrastructure through careful procurement or partnership work
- Steadily improving investment in services, activities and campaigns for students

## General Union Context

The Union is made up of three separate legal entities; Union of UEA Students LTD, Waterfront LTD and Student Union Services LTD. Operationally, the Union's Budget is separated between the "Charity", "Social Enterprise" (also known as Venues) and "Shared Services.". Charity is comprised of the three main departments: Advice Community and Welfare, Activities and Opportunities and Student Voice, Academic Engagement and Equality. The Student Officers and all Democracy functions also sit under the Charity side of the budget. Social Enterprise comprises of both the LCR and the Waterfront, as well as the on-campus Bars. Shared Services are the operational functions across both Charity and Social Enterprise that allows them to run. This includes HR, Finance and Insight, Communications and Marketing.

Primarily, our funding comes from UEA in the form of our Block grant. We get approximately £1.4m from UEA each year, making up around 70% of our income. Social Enterprise makes a "contribution" to the operations of the rest of the union. The simplest way of explaining this is: the money that is left over after the overheads (cost of doing business) and direct staff costs are taken out, goes back into funding the Charity and Shared Services parts of the Union. For 2023/24, this contribution is estimated to be around £545k – or 30% of our income.

The majority of our spend is on Staff Costs of running the rest of the Union. This tends to be difficult to change in the short term, as referenced above, and so is difficult for Union Council to input into through Estimates. The Union also spends money each year on Pensions and Capital Expenditure.

Finally, we are also required to keep reserves. This is so that we are able to deal with anything unexpected that comes up throughout the year. COVID-19 was a good example of this. We are expecting our reserves to be at around £739k in July 2023. The target level for reserves is ~£564k. This would be a reduction of £334k to where the reserves were in July 2022, but still greater than our target.

## 2022/23 Financial Year

In the 2022/23 financial year, we experienced a drop in income from our Venues. At the end of February 2023, bar sales (which is our best measure of activity) are down year on year by 21% on campus and 13% at the Waterfront. This is attributed to a number of reasons:

- Cost of Living crisis has meant that students are facing tighter budgets and just don't have the same amount of money to spend as they once did.
- Post-Covid behavior changes have resulted in students going out regularly. Students seem to be less interested in weekly clubbing and prefer larger "memory making" moments.
- Online assessments and reading weeks being inconsistent across the university has meant that we are finding it more difficult to predict when students are going home.
- Some of our club nights, particularly Damn Good, has been struggling to be as captivating than it once was.

## 2023/24 Financial Year

Generally speaking, the Union will need to be looking at ways to save money and increase income as a result of this fall in income. This may include a whole host of things and plans are being devised and implemented to take that forward. This has been taken to the Trustee Board and was approved in April

and Union Staff are in the process of implementing this.

One thing this will include is an increase in bar prices, primarily to counteract our rising costs in this area. Prices have already slightly increased, but we are making sure that this is distributed across all products and ensuring we safeguard certain products. For example, Snakebites are currently still less than £3. Venues are also looking to find ways to improve our nighttime provision and better use our spaces.

We will keep the Council up to date on progress, primarily through the Trustee Board report and the two members of Council on Finance Committee. Members can also contact the Chair of Finance if they have any questions.

### Budget/Project Explanations

The remaining appendix details some of the key projects listed in Estimates and what they entail:

#### **Project Heading**

|                                |   |
|--------------------------------|---|
| <i>Don't Drop Out</i>          | Post-welcome Advice led campaign to help students settle in after the hustle and bustle of welcome and feel comfortable adjusting to university life.                         |
| <i>Safer Taxi</i>              | In case you for some reason can't pay for a taxi, you can get us to pay for it for you and then pay us back later. You can do this by giving the company your student details |
| <i>Campaigns</i>               | We have funding available for smaller or individual student-led campaigns as well as organization wide campaigns  |
| <i>Equality and Diversity</i>  | We have budget for EDI related activity led by students as well as organizational activities  |
| <i>SOC Projects</i>            | SOC Budget to support manifesto and campaign activity   |
| <i>SU Awards</i>               | We have put aside a larger budget this year for Union wide award ceremony   |
| <i>Academic Representation</i> | Supports the academic rep and convenor structures in place that provide representation at the school and faculty levels   |
| <i>HSC Engagement</i>          | Funding for HSC students specifically   |
| <i>Buddy Activities</i>        | Funding for our Buddy Scheme  |
| <i>Postgraduate SU</i>         | Funding for PG Students, managed by PG Committee  |
| <i>Peer Support Groups</i>     | Funding available specifically for peer support groups such as Pride  |
| <i>Nightline</i>               | We offer up to £2k grant to Nightline each year   |
| <i>Welcome</i>                 | The activities and events at the start of the year to help students settle  |
| <i>Societies Grants</i>        | Money available for societies   |
| <i>Media Collective</i>        | Pays for Concrete, Livewire and UEA TV  |
| <i>Alcohol Impact</i>          | An accredited scheme around Harm reduction supporting the Alcohol Impact Crew   |
| <i>International SU</i>        | Funding for activities/campaigns specifically for international students  |

For more information, please contact the Chair of Finance Committee at [t.sounes@uea.ac.uk](mailto:t.sounes@uea.ac.uk)