
  
**NATIONAL  
CONFERENCE**

27 – 29 March 2018 | Glasgow

# Accounts and Estimates CD6

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# NUS Estimates 2018/19

## Purpose of this document

This document reports on the proposed areas of expenditure for NUS in 2018/19. The Estimates is a financial policy document that guides spending throughout the year. It outlines how much money can be spent on each political area of NUS.

The '**Estimates Section**' is subject to the following procedures at National Conference.

### **Extract from the Constitution:**

Any students' union wishing to propose changes to the Estimates must do so under the rules set down under clause 420 of the NUS Rules

### **Estimates**

421 Following agreement between the National Executive Council and the Trustee Board, Estimates of income and expenditure in the year ahead will be presented to the Annual National Conference by the President after being circulated to all Constituent Members and National Committees.

422 Constituent Members may table motions to refer back the Estimates or part of them.

423 Such a motion will only be in order if it is composed of two parts:

- a) The positive reference back of a specified heading within a budgetary head or heads, indicating that each specified heading should have the sum allocated to it increased by an amount specified for that heading;
- b) The negative reference back of a specific heading within a budgetary head or heads, indicating that each specified heading should have the sum allocated to it reduced by an amount specified for that heading; the total of the amounts specified in (i) being the same as the total of the amounts specified in (ii).

424 The President will reply in writing to all Constituent Members tabling motions of reference back of the Estimates or part of them, indicating the implications if such a reference back is passed by the National Conference

425 Questions on the Estimates may be asked from the floor of the National Conference. Priority on the asking of such questions will be given to Constituent Members, which have tabled motions on reference back.

426 If 100 delegates wish to discuss a motion of reference back it will be moved. The President will reply and the National Conference will immediately vote on the motion.

427 The guillotine will not apply to discussion of motions of reference back of the Estimates.

## What you need to do

Read through the Estimates proposed for 2018/19.

If you wish to challenge any of the allocations in the Estimates you need to follow the procedure outlined in Rules 421 – 427.

In your challenge you need to fill in the proforma:

- which heading you want more money to go to
- which heading you want this money to come from
- And the amount of money that you believe should be reallocated.

**At National Conference:** Delegates will be asked to vote on each challenge received following a short debate. These challenges will amend the Estimates. Then, conference will be invited to approve the Estimates by voting on it. If you do not agree with what is in the report you should vote against.

### Accounts Checklist

I have read through the Audited Accounts and note NUS' financial position ☐

### Estimates Checklist

I have read the Estimates and considered where NUS will spend its money in 2018/19 ☐

I have noted the deadline to submit challenges to the Estimates is 12 noon on 22 March 2018 ☐

I know that if I wish to challenge the Estimates I must specify which area(s) must be increased and which area(s) must be decreased ☐

**Questions** on the Estimates should be made to the officer Trustee with responsibility for the Estimates by completing the [online form](#).

**Challenges** to the Estimates must be sent via the [online form](#)) by 12 noon, 22 March 2018.

## Introduction

The 2018/19 Estimates have been constructed to reflect the internal departmental structure of NUS, which comprises core service areas: Zones, Liberation & Sections; Campaigning and Influencing Units; Strategic Development and Infrastructure Services. Nations and Governance costs are also shown separately.

The figures presented in this document, a summary of estimated income and expenditure, are a transparent and prudent analysis of the financial resources to be committed by NUS to meet its core political priorities for the year ahead. Following Conference more detailed internal budgets are prepared by the NUS UK Trustee Board to ensure ongoing and robust monitoring of the effective use of these resources. Regular updates on progress against these budgets are then presented to the National Executive Council and Trustee Board throughout the year.

It should be noted that this document represents the estimated income and expenditure for NUS UK. There are a number of related entities within the NUS group (for example, NUS Services Limited) whose budgets are handled within the governance of those bodies.

## The Financial Context

It should be noted that for over ten years NUS produced a deficit at the end of each year, considerably depleting our reserves. For the past few years we have sought to turn this situation around by posting modest surpluses for the Group, whilst continuing to drive down our reliance on affiliation fees and improve services and campaigns and students' unions.

## The Financial Policy

These estimates reflect wider long term financial policy goals for NUS. These are:

- To reduce the reliance of the NUS Group upon affiliation fees
- To generate a modest surplus for the NUS Group in order to rebuild reserves

## This year's budget and forecast

Last year Conference approved an Estimate break-even position for the 2017/18 financial year and was challenged with finding further savings and subsequently tasked the Trustee Board and NEC to ensure set a budget of breakeven £0k against which we have compared this year's Estimates in the narrative that follows.

For the year ahead (2018/19) these Estimates forecast a break even position, which is in line with the Group financial strategy.

The core assumption is that the income from the membership contribution and other income will not increase and so most NUS Activity Costs and expenses are to reduce by between 5-20% to account for inflationary and other increases.

## Income

- **Membership contribution / Affiliation fees-** Income from members is assumed at the same level (£3.9m) as the actual fees taken in 2017/18 with the new membership contribution structure being a levy of c4% of block grant income, with a minimum fee of £250 and maximum of £60,000 to generate an income for NUSUK of £4m.

**NOTE:** Affiliation fees collected within the Nations are included in the nations sections as income.

- **Other Income**- Investment income from Endsleigh which is the dividend from the preference shares that NUS holds in the company. Sponsorship income from Endsleigh as well as the grant income and staff costs for Wise Wales for the full financial year.

## Campaigns and Zones

- **Full Time Officers** – The salary of the President, each Zone, Liberation Campaigns, Nations and the International Students’ Officers are estimated in this area.
- **Other Campaigns** – The activity of the Zones, Liberation Campaigns and Sections are estimated in one pot of money which is then split across these campaigns. The newly elected NEC in 2018/19 will agree the allocations. Note that the work of NEC coordinating committees (such as Anti-Racism, Anti Fascism) is included here.
- **Priority Campaign**: This area - which funds campaigning priorities, and controlled by the President will be £50k.

## Campaigning and Influencing

The teams within the directorate are reflected within this section. Most of the costs relate to staff and activity costs. The total staffing budget provides for an allowance for annual increments to qualifying staff, and associated increases in employers’ national insurance as well as assumptions around pension take up following auto-enrolment which happened in May 2014.

## Governance

- **National Conference** - A prudent view on costs and income generation opportunities has been taken to keep the overall net spend in this area to £217k.
- **Democracy & NEC** - This area includes costs for the operation of the National Executive Council and the work of the democratic procedures for NUS UK.
- **Access** - This fund supports students with access needs to participate in democratic events.
- **Liberation Conferences**- A total of £97k is allocated to the 5 Liberation Campaigns to fund Conferences. This is split between the 5 Campaigns to reflect the costs of the conferences.
- **Sections Conferences** – An allocation is put towards subsidising the costs of running the Sections Conference. The costs for running the carers’ section conference will be met from the existing allocation.

## Business Services and Resources

- **Infrastructure costs** – this reflects a proportion of the building costs and costs of infrastructure support (IT, Finance, HR, Chief Executive Office) which is apportioned across the NUS Group on an FTE basis. This figures reflects the infrastructure costs for the full time officers and staff who carry out work on behalf of NUS UK.
- **Management Task** – In order to break even, further savings (or income generation) will need to be achieved through a series of measures including exploring the option of increasing rental income on properties the NUS Group owns.

## **Risk Areas**

Senior Managers are continually tasked with finding ways of mitigating risk areas by identifying new (and realistic) income or reviewing other budgets before the new financial year begins. Following National Conference detailed internal budgets will be produced and reviewed by the NEC and Trustee Board.

## National Conference | Estimates

### Layout

The main body of the Estimates details areas of income and expenditure and may be challenged by delegates to Conference using the methods detailed within this paper.

The detailed breakdown provide the detailed cost heading analysis of income and expenditure, which support the headline figures reported. The cost headings (cost centres) are revised to reflect restructured services and are presented in a standard format throughout this document. Most cost headings (or “centres”) include these three sections:

#### 1. Staff/Officer Costs

Salaries, Pension and National Insurance, Training and other staffing or officer costs.

Activity Costs

These can include:

- Travel, Accommodation & Expenses: All travel and accommodation expenses incurred in this cost centre including cars and incidental expenses for staff, officers and volunteers.
- Property & Equipment Costs: All physical costs including annual equipment costs, venues, telephony, and rental.
- Communications: Includes publicity, campaign costs, speakers' expenses, photocopying & training material, printing, stationery, postage, subscriptions/publications and software development.
- Admin: Includes bank charges, depreciation, and health and safety costs.

#### 2. Income

This includes all income in this area and explanations are given in the notes.

**3. Externally funded projects** are included in the Estimate as a realistic contribution level. National Conference is not in a position to reduce expenditure or increase income on what are restricted project funds.

Where income is gathered for specific purposes (e.g. delegate fees) the Estimates contain the **net contribution** figure rather than Estimates for both income and expenditure. This is to ensure clarity and transparency over what is spent or subsidised from unrestricted funds, for example many events are shown at £0 because we budget for them to break even (where direct income in delegate fees is the same as direct costs related to delivery of that activity).

## NUS Estimates 2018/19

\*Note items in (brackets) represent cost areas

Details	Budget 2017-18	Estimates 2018-19	Variances
<b>1. Un-restricted Income</b>			
Affiliation Fees (ex Nations)	3,376	3,309	(67)
Endsleigh Commission	500	500	0
Endsleigh Dividend	792	792	0
EFP Income	0	(1)	(1)
<b>Total</b>	<b>4,668</b>	<b>4,600</b>	<b>(68)</b>
<b>2. Zones, Liberation &amp; Sections</b>			
Full Time Officers	(616)	(628)	(12)
Other Campaigns	(178)	(178)	0
Mature & Part Time	(2)	(2)	0
Postgraduate	(2)	(2)	0
Parents & Carers	(2)	(2)	0
Priority Campaign	(50)	(50)	0
<b>Total</b>	<b>(850)</b>	<b>(863)</b>	<b>(12)</b>
<b>3. Campaigning &amp; Influencing</b>			
Advocacy & Political Affairs	(158)	(135)	23
Liberation	(232)	(198)	33
Campaigns	(112)	(96)	16
Policy Unit	(593)	(507)	87
Strategic Development	(120)	(110)	10
Internationalism	(160)	(135)	25
<b>Total</b>	<b>(1,375)</b>	<b>(1,181)</b>	<b>194</b>
<b>4. Governance</b>			
Democracy	(33)	(33)	0
National Executive Council	(30)	(30)	0
Boards	(11)	(11)	0
National Conference	(258)	(217)	41
Liberation Conferences	(115)	(97)	18
Zone Conferences	0	0	0
Sections Conferences	(6)	(5)	1
Policy Convention	(12)	0	12
Strategic Conversation	0	0	0
Access	(30)	(25)	5
<b>Total</b>	<b>(496)</b>	<b>(418)</b>	<b>77</b>
<b>5. Business Services &amp; Resources</b>			
Infrastructure	(1,898)	(1,966)	(68)
Management Task	245	88	(157)
<b>Total</b>	<b>(1,653)</b>	<b>(1,878)</b>	<b>(225)</b>
<b>6. Nations</b>			
NUS Scotland	(150)	(132)	18
NUS Wales	(116)	(102)	14
NUS-USI	(27)	(25)	2
<b>Total</b>	<b>(293)</b>	<b>(259)</b>	<b>34</b>
<b>Operating Surplus/ (Deficit)</b>	<b>0</b>	<b>0</b>	<b>(0)</b>

Please note that the management savings to break-even have been apportioned by area.

# Detailed breakdown

## 1 | UNRESTRICTED INCOME

### Summary of allocation

Details	Budget 2017-18	Income	Wages & Salaries	Activity Costs	Group Recharges	Estimates 2018-19	Variance
Affiliation Fees (ex Nations)	3,376	3,309	0	0	0	3,309	(67)
Endsleigh Commission	500	500	0	0	0	500	0
Endsleigh Dividend	792	792	0	0	0	792	0
Externally Funded Project	0	78	(63)	(16)	0	(1)	(1)
<b>Total</b>	<b>4,668</b>	<b>4,679</b>	<b>(63)</b>	<b>(16)</b>	<b>0</b>	<b>4,600</b>	<b>(68)</b>

**Affiliation Fee Income/ Membership Contribution:** Income from members is assumed at the same level (£3.9m) as what has been taken in 2017/18 using a simpler calculation based on a straight percentage of grant income. The new membership contribution structure is a levy of c4% of block grant income, with a minimum fee of £250 and maximum of £60,000. This is projected to generate an income for NUSUK of £4m.

**NOTE:** Affiliation fees collected within the Nations are included in the nations sections, where figures are displayed as net.

### Other Income

This includes the following:

- contribution to overheads from externally funded projects
- investment income – being preference dividends on the shares Endsleigh granted NUS
- sponsorship income – primarily this is from Endsleigh who continue their invaluable support of the student movement

## 2 | ZONES, LIBERATION & SECTIONS

### Summary of allocation

Details	Budget 2017-18	Income	Wages & Salaries	Activity Costs	Group Recharges	Estimates 2018-19	Variance
Full Time Officers	(616)	0	(628)	0	0	(628)	(12)
Other Campaigns	(178)	0	0	(178)	0	(178)	0
Mature & Part Time	(2)	0	0	(2)	0	(2)	0
Postgraduate	(2)	0	0	(2)	0	(2)	0
Parents & Carers	(2)	0	0	(2)	0	(2)	0
Priority Campaign	(50)	0	0	(50)	0	(50)	0
<b>Total</b>	<b>(850)</b>	<b>0</b>	<b>(628)</b>	<b>(234)</b>	<b>0</b>	<b>(863)</b>	<b>(12)</b>

In this section you will find costs relating to NUS' range of zones and sections and some costs relating to the relevant full time officers. A detailed explanation of what each area covers is given below each subsection. Most activity costs in this area 2018/19 are to be allocated **following** National Conference based on an assessment of mandates from Conferences, Election manifestos and a test for membership benefit, hence the "Other Campaigns" detailed below.

**Full-Time Officers:** This area includes the salary and associated payroll costs of the 20 Full-Time Officers.

**Other Campaigns:** The activity costs for the zones, liberation and sections officers are allocated in this budget for 2018/19. This 'pot' will be allocated by the NEC post-Conference based on democratic mandates.

**Mature & Part time:** The activity costs for the mature & part time section officer are included here.

**Postgraduate:** The activity costs for the postgraduate section officer are included here.

**Priority Campaign:** This area - which funds campaigning priorities, and controlled by the President will be £50k. This now includes the **Local Campaigning Capacity** to drive both campaigning effectiveness and activism development programmes within Students' Unions. This area does not include the cost of staffing support which is included in Campaigning and Influencing Units in Section 3.

### 3 | CAMPAIGNING & INFLUENCING

#### Summary of allocation

Details	Budget 2017-18	Income	Wages & Salaries	Activity Costs	Group Recharges	Estimates 2018-19	Variance
Advocacy & Political Affairs	(158)	0	(117)	(18)	0	(135)	23
Liberation	(232)	0	(187)	(11)	0	(198)	33
Campaigns	(112)	0	(84)	(12)	0	(96)	16
Policy Unit	(593)	0	(407)	(99)	0	(507)	87
Strategic Development	(120)	0	(51)	(59)	0	(110)	10
Internationalism	(160)	0	(102)	(33)	0	(135)	25
<b>Total</b>	<b>(1,375)</b>	<b>0</b>	<b>(949)</b>	<b>(232)</b>	<b>0</b>	<b>(1,181)</b>	<b>194</b>

This area includes all of the central units that develop and deliver the campaigning and influencing activity determined by Conference and NEC. Each area combines both capacity building and voice support activity. Cost savings have been proposed across the directorate to take account of inflationary and associated costs.

**Political Affairs and Advocacy Unit:** This area houses our political affairs and advocacy staff. Also included here are a range of central fixed costs including subscriptions and publications related to press and public affairs. Costs relating to Parliamentary lobbying and receptions are also included here.

**Liberation Unit:** This area houses some of our liberation team (some staff who work on liberation issues also sit within Policy and NUS Charitable Services).

**Campaigns Unit:** The area here includes staffing on the campaigns effectiveness programme as well as support for Priority, Zones, Sections & Liberation Campaigns.

**Policy Unit:** This policy unit houses Policy support for: the National President and NEC, special projects, and long term policy analysis and support, as well as staff carrying out one off and special projects on behalf of the Nations.

**Strategic Development:** This includes management and support costs for the Student Voice & Influence Directorate professional fees and staff meetings.

**Policy and Delivery Unit/ Internationalism:** This area has now been renamed Internationalism for this allocation of work.

## 4 | GOVERNANCE

### Summary of allocation

Details	Budget 2017-18	Income	Wages & Salaries	Activity Costs	Group Recharges	Estimates 2018-19	Variance
Democracy	(33)	0	0	(33)	0	(33)	0
National Executive Council	(30)	0	0	(30)	0	(30)	0
Boards	(11)	0	0	(11)	0	(11)	0
National Conference	(258)	30	0	(247)	0	(217)	41
Liberation Conferences	(115)	158	0	(255)	0	(97)	18
Zone Conferences	0	81	0	(81)	0	0	0
Sections Conferences	(6)	16	0	(21)	0	(5)	1
Policy Convention	(12)	0	0	0	0	0	12
Strategic Conversation	0	30	0	(30)	0	0	0
Access	(30)	0	0	(25)	0	(25)	5
<b>Total</b>	<b>(496)</b>	<b>315</b>	<b>0</b>	<b>(733)</b>	<b>0</b>	<b>(418)</b>	<b>77</b>

Section 4 includes costs relating to NUS' central governance and democratic structures. A detailed explanation of what each area covers is given below each subsection. It does not include all the staffing costs associated with delivery of the governance functions.

**Democracy:** This area contains a range of functions essential to the operation of NUS' Democratic Structures which includes democratic procedures committees training and activity and to cover out of pocket expenses for volunteers.

**National Executive Council (NEC):** Inside this area are all of the costs relating to running the NEC which includes its subcommittees and travel and expenses of its members.

**Boards:** This area contains a range of functions essential to the operation of NUS UK Trustee Board including meeting costs, training activity and to cover out of pocket expenses for volunteers.

**National Conference:** This area contains all of the costs and income associated with NUS' National Conference, along with some costs that relate to the Democratic Procedures Committee and their meetings. It also houses the budget for Elections and the Chief Returning Officer.

**Liberation Conferences** – A total of £97k is allocated to the 5 Liberation Campaigns to fund Conferences. This is split between the 5 Campaigns to reflect the costs of the conferences.

**Zones Conferences:** This is estimated at £0 because it is expected to break even.

**Sections Conferences** – An allocation is put towards subsidising the costs of running a Sections Annual Conference. The costs for running the carers' section conference will be met from the existing allocation.

**Policy Convention:** This has been removed as it doesn't happen anymore.

**Strategic Conversation:** shows the cost of the 2 day consultation event held with Staff and officers in students' unions following NUS Conference, to help shape the delivery of work for the year. It is not a democratic event and so fees are charged which means that this is budgeted to break even.

**Access:** This allocation support students with access needs to participate in NUS' democratic events.

## 5 | BUSINESS SERVICES & RESOURCES

### Summary of allocation

Details	Budget 2017-18	Income	Wages & Salaries	Activity Costs	Group Recharges	Estimates 2018-19	Variance
Infrastructure	(1,898)	5	0	(120)	(1,851)	(1,966)	(68)
Management Task	245	0	0	88	0	88	(157)
<b>Total</b>	<b>(1,653)</b>	<b>5</b>	<b>0</b>	<b>(32)</b>	<b>(1,851)</b>	<b>(1,878)</b>	<b>(225)</b>

Business Services & Resources includes the proportional costs to NUS UK that are associated with running the NUS Group.

**Infrastructure:** Included within this area are the costs of running the following support services; People, Finance, IT, Chief Executive, Communications, Insight and Events teams. As well as Premises costs, which includes those costs attributable to running each of our buildings in London, Cardiff, Edinburgh, & Belfast and Legal & Professional fees, bank interest.

They are allocated on a per capita basis for each full time officer and staff member who works on NUS UK activities.

**Management task** – Some of the management savings have been apportioned to each area working on a reduction of 16% to show how these savings will be achieved to meet break-even position, but there is still a management saving of £88k to be achieved in 2018/19.

## 5 | NATIONS

### Summary of allocation

Details	Budget 2017-18	Income	Wages & Salaries	Activity Costs	Group Recharges	Estimates 2018-19	Variance
NUS Scotland	(150)	317	(329)	(120)	0	(132)	18
NUS Wales	(116)	220	(230)	(92)	0	(102)	14
NUS-USI	(27)	125	(122)	(27)	0	(25)	2
<b>Total</b>	<b>(293)</b>	<b>662</b>	<b>(681)</b>	<b>(240)</b>	<b>0</b>	<b>(259)</b>	<b>34</b>

NUS' Nations work is devolved and autonomous. This section reflects the costs of running each operation's support, management, administration and activity costs in the coming year. They do not include any central Nations management costs, nor any contribution to overheads or infrastructure at NUS UK.

**Scotland:** Within income is the affiliation fees from Scottish members, delegate fees and some other income. With the costs are: management, support, campaign, conference and activity costs in Scotland. Scotland goes on to produce its own detailed budgets scrutinised and approved at its own conference. As part of the move to increase financial transparency, the donation to the NUS Charities have been removed (from Business Services & resources section) and the staff costs have been reallocated back to NUS Scotland. This accounts for the variance in NUS Scotland.

**Wales:** Within income is the affiliation fees from Welsh members, delegate fees and some other income. With the costs are: all management, support, campaign, conference and activity costs in Wales. Wales goes on to produce its own detailed budgets scrutinised and approved at its own conference. The main change this year is to add the costs and income of the Welsh translation service. Not included but run from this area are a range of projects that are externally funded. Costs are not included here.

**NUS-USI:** NUS-USI is a partnership arrangement between NUS UK and the Union of Students in Ireland. Within income is the affiliation fees from Northern Irish members, delegate fees and some other income. With the costs are: management, support campaign and activity costs in NUS-USI in the coming year.