

# Changes to Branch and Group financing processes



Since the introduction of the new Branch budgeting process in 2010 a number of concerns have been raised by various members relating to both Branch and Group budgets and financing processes. These have now been taken to Board of Trustees (BoT) via the Networks and International Committee (NaIC). As a result, a Member Advisory Panel (MAP), to include Branch and Group representatives as well as Head Office staff, was set up to review the financing processes for both Branches and Groups. This MAP met in early September and I am pleased to advise you that the recommendations that were produced by the members of the MAP have now been agreed by the Networks and International Committee.

## The recommendations are as follows:

- The date for submission of Branch budgets for 2013-2014 has been changed to 20 November 2012, providing approximately six weeks' extra preparation time for the Branches. This new timetable will be reviewed prior to the 2014-2015 financial year.
- Budgets for events will be prepared separately to the main Network budgets. This preparation will be undertaken by the Events team.
- All profit from events, both Networks and corporate events, will be shown together on one spreadsheet which will be made available to the Networks so that they are aware of the profit that is available to them.
- The Branch buffers will not be provided to the Branches with their budget monies but will be kept in a separate fund (within IOSH) to be used only if a Branch requests additional funds. Such requests may need justification.
- Branch budgets will be paid on 01 May. This date will be added to the budget timetable.
- The Networks will be provided with their budget figures in advance of BoT approval at their March meeting, and it should be noted that they are subject to BoT approval.
- Pending approval by the Executive Director Team, Networks are to use a rolling three-year budget with year one being an accurate budget submission. The following two years' phasings are to be as realistic as possible, but showing any major projects or events, especially those where event profit is required. The introduction of the three-year rolling budget will not apply until the 2014-2015 budgets are produced. This process may be introduced throughout IOSH.
- Group Chairs will be consulted on whether the current arrangement for the 75 per cent / 25 per cent split of profit from their events continues. Currently 25 per cent goes into a separate fund (known as the GMC fund) for assisting new Groups, and 75 per cent goes back to the Group for them to use for the benefit of their members.
- Profit made on events must be used by the respective Network (Branch or Group) for the benefit of their members within three years or it will be lost to them and absorbed into IOSH main funds. For Groups this will be their 75 per cent share of the profit.
- Networks' activity plans and budget submissions must show where event profit is being used to fund activity. This will enable Head Office to know when the funds will be required and what is being spent.

As a result of these recommendations and discussions at the MAP meeting, the criteria set for the 2013-2014 budgets have been amended. For both Branches and Groups it was agreed that if evidence can be provided that attendance at committee meetings consistently exceeds the 66 per cent average attendance as applied to Standing Committees, then this would be considered.

For Branches the cost of programmes can be included in this year's submissions. This is due to the removal of the automatic payment of the buffer and is pending the results of the Branch programme pilot, which is currently taking place.

For Groups a proper consultation is being arranged to decide whether the 75 per cent / 25 per cent split of event profit should continue to help finance new Groups.

I would like to reassure you all that as the budgeting process is to enable both Branches and Groups to provide a programme of meetings and events for their members, no committee should feel that they cannot do this due to lack of funds. With justification the money should be available.

Both the Networks Officers and International Officers are aware of these changes and will be able to answer any queries you may have, but please also feel free to contact Julie Farmer, Networks Manager, or me.

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