Guidance on the CUSU Council Free Budget

This guidance note is provided to ensure the Free Budget is properly utilised and allocated; it explains the purpose of the Free Budget, what it might be accessed for and any limitations. This document draws upon law relating to charities and students’ unions, and the CUSU Constitution: cusu.co.uk/about/what-we-do/constitution

This guidance includes information on CUSU Council’s powers more generally in terms of decision-making; this guidance may be of interest to students submitting/discussing policy.

For further information contact chair@cusu.cam.ac.uk.

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CUSU Council Free Budget: What is it?

The Council Free Budget is a sum of money apportioned to CUSU Council in CUSU’s Annual Budget. The total value of the 2018-19 Council Free Budget is £3,000.

Any member of CUSU has the right to apply for an allocation of funds from the Council Free Budget on condition that:

i) funds are spent in accordance with the fund rules and guidance (below);

ii) such funds are spent solely on Members of the CUSU; in a manner consistent with the objectives of CUSU as they appear in the CUSU Constitution; and

iii) in a manner consistent with the objectives and scope¹ of the Council decision to commit the funds, e.g. via a relevant/associated Motion.

To apply for funds, a motion should be submitted for discussion at CUSU Council to chair@cusu.cam.ac.uk before the usual deadline for each meeting. As general guidance on format:

- The ‘CUSU Notes’ section should state why the individuals/organisation seeks funding
- The ‘CUSU Believes’ section should explain why CUSU Council should provide this funding
- The ‘CUSU Resolves’ section should outline how much funding is needed and what it will be spent on

If you would like help writing a motion, or to discuss a motion you are writing, please contact the CUSU President at president@cusu.cam.ac.uk.

The Democracy Assistant, a staff role supporting Council, will monitor Council Free Budget spending and maintain records.

¹ See Standing Orders Article D available at cusu.co.uk/about/what-we-do/constitution
CUSU Council Free Budget: Purpose and Rules

The purpose of the Free Budget is to support Council-mandated campaigns and agendas (subject to the below terms).

Funding should be project-based (i.e. time-defined activity) that relates to changing something pertinent to Cambridge students’ lives and experiences. Note that the Free Budget should not ordinarily be used to fund programmes or student activity that would traditionally be funded elsewhere, such as by the Societies Syndicate, University or similar.

The Free Budget is allocated per academic year and does not transfer from one year to the next (i.e. ‘zero-based’). The Free Budget cannot be allocated over successive academic years; should funds be requested for future years, successive requests to Council will need to be made in each respective academic year. Funds may be applied to retrospective activity provided such activity occurred in the same academic/financial year except where elected representatives request funds retrospectively from a time in which they were not elected (i.e. they did not have mandate at the time they undertook activities or spent funds).

CUSU Council Free Budget: Guidance

Any student may bring a proposal to access funds from the Free Budget in accordance with the guidance herein.

Examples of previous Free Budget requests:

- Funding for Cambridge University Calais Refugee Action Group for a one-off campaign and project (visit to Calais) to educate students on the plight of refugees at Calais
- Transport for an NUS National Education Demo
- Supporting a boycott of the National Demo (e.g. leaflets, posters etc.)

Elected and appointed members of the Executive (full-time and part-time) may consider the Free Budget good avenues for greater fund allocations than they otherwise receive in the CUSU Budget for their activity/Team/Campaign. Due to the limitations on these budgets, the Free Budget should be seen as a secondary avenue for campaign funds. Sabbatical Officers receive a fund allocation that they may spend on their own mandates or respective Team campaigns, and the Part-Time Officers receive a collective budget to be allocated by the Executive Committee.

New Student Groups and/or Liberation Campaigns established prior to any formal budget allocation being approved may seek funds from the Free Budget until a new budget year.
General Motion Guidance: Students’ union activity and “ultra vires”

CUSU is a charity and a charity can only do what it has the powers to do; ultra vires refers to activity beyond one’s powers.

Students’ unions may only do activities that support their charitable purpose and that are in accordance with legislation that applies to unions. Legislation includes the 1994 Education Act, the 2006 Charities Act and the students’ union’s own governing documents. ‘Activities’ the union engages in also extends to the items to which the union commits funds.

Further, the SU can only use Union money to fund campaigns directly related to Members as students; i.e. students should be beneficiaries of the expenditure of resources (i.e. the resulting impact of expense should be ‘students’). Most case law pertaining to unions refers to disputes over the legitimacy of resources committed.

Council should ensure that Union work does not stray from their beneficiaries’ focus. For example, A motion on the minimum wage for University or Students’ Union workers may be within the purpose of the SU in, as an example, their support for the related impacts upon a student’s student experience; whereas calling on other employers to adopt the minimum wage may not be [within the purpose of the SU].

In general, students can express a collective view on a matter in an open forum held for students to discuss pertinent issues of the day. However, the extent to which this could contravene charity law is dependent upon the level of action and activity or funds the union commits to the issue.

Role of the Charity Commission

The Charity Commission may investigate any charity if it has reason to believe it is acting beyond its powers. In this event, the Commission would expect charity trustees to be able to explain how the charity’s actions further the charity’s purposes. The Commission may seek for evidence from the trustees that matters had been considered; e.g. that the trustees ‘sense-tested’ the charity’s actions against its purpose and existing laws.

The issue of political campaigning by charities has become increasingly controversial and the Charity Commission continue to publish guidance on the limitations of charities to act politically.

The Commission has also asserted that trustees must consider the charity’s reputation as a resource akin to financial resources when considering their duties as trustees.

The Importance of CUSU’s Charitable Objects (Clause 3 in Constitution)

CUSU’s Charitable Objects are broad: they incorporate the length and breadth of student life and experience. In some respects, any and all issues that Council could discuss could likely be framed, in some way, as relatable to Cambridge students. However Council should consider whether motions affect students as students, as opposed to students as citizens (i.e. as any other member of the public who is not a
Cambridge student). There should be sufficient distinction as to why CUSU, a charity for Cambridge students, should commit time and/or resources to an issue above other issues. In the event of dispute with a regulator, the Charity Commission or a court would consider the proportionality of CUSU’s support for a motion/policy in consideration of its constitutional aims.

This guidance considered, Council may be advised to consider the following when mandating action or resources as part of a decision:

- law requires that the Union act within its Objects;
- the Union should be representative of its Members (i.e. if this cannot be sufficiently demonstrated, a case may be brought to the SU that the Union is acting beyond its democratic remit);
- policies should be guarded against discrimination and prejudice of others (in particular when considering boycott- or no-platform-style decisions); and
- in controversial cases, the trustees may need to review a decision in order to fulfil their duties as trustees.

Examples

Council could, and did, pass a policy asserting support for remaining in the EU. However, such did require the CUSU trustees to consider the legal basis for the charity’s position and to actively set-out why it was reasonable for the charity to take such a position. The trustees ensured a record existed that showed their due consideration of the matter in case of enquiries from the Commission at a later date. To manage political bias, the union recognised that, when speaking on behalf of members, the union’s political representatives could follow the Council mandate to support remaining in the EU, but that the trustees would also ensure the union promoted generic communications that promoted civic participation from students in the issue at large.

Council can commit funds to subsidise attendance at demonstrations provided they relate to student issues or can be shown to promote the education of students (or other Constitutional Object) e.g. top up fees. However, Council could not legally endorse any activity that was unlawful, such as some forms of direct action.

CUSU must be non-partisan and therefore CUSU could not endorse a political party. However CUSU Council could vote to endorse a policy of a particular political party provided that, for example: a) the policy was explicitly and specifically related to CUSU’s charitable objects (its purpose as a charity); b) the decision was established via democratic means (e.g. a legitimate endorsement of member representatives); and, c) provided there was no clear political bias towards a particular political party in Council’s endorsement of that policy.

Council could pass some form of Boycott, Divestment and Sanctions (BDS) policy provided that that policy did not discriminate against Members and that any actions of the policy were demonstrable in advancing the charity’s constitutional Objects. Note that the trustees may need to consider any detrimental impact upon the charity’s resources.
National or international issues, such as climate change or human rights, could be argued to have a long term impact on the interests of Cambridge students and so Council could make decisions on these items. However, the mandates arising from those decisions should specifically relate to Cambridge students as students and CUSU’s Charitable Objects. For example, it is rare that climate change will directly affect students as students; yet seeking to ensure CUSU acts to mitigate climate change, and/or encouraging the University to act greener and seek a public policy environment for them to do so would be specific means of Council asserting student interests on this issue.

**General Motion Guidance: Donating to other charities or causes**

The Charity Commission says that CUSU “can fund another charity as a way of meeting its charitable purposes”, yet it must be sure that this is in the charity’s best interests.

CUSU’s constitution allows the Union to support fundraising activities carried out by its Members for charitable causes; the Union may commit to supporting its Members to fundraise for a charity, provided such activity advances CUSU’s charitable purposes. For example, students may wish to raise funds for a local welfare group, which provides support for students in a way that CUSU alone could not. In this case, CUSU’s representatives may support the effort with their time and coordination provided their job purpose is consistent with the activity; and CUSU may accept funds from students to then pass on to the group.

However it cannot ordinarily donate its own funds directly to other charities unless it can prove, without doubt, that by doing so:

i) it is the best, most effective and/or efficient way of advancing CUSU’s charitable purposes;

ii) the level of funds is measured and proportionate in consideration of the Members affected and the funds apportioned; and

iii) ordinary purchasing principles apply (e.g. the Union has considered alternative means of achieving the funded activity to consider the effectiveness of the chosen donation; that conflicts of interest have been declared, considered and, if necessary, managed; appropriate documentation exists; etc.)