

## **COLLEGE DIVISIONS: HOW IS THEIR WORK FINANCED AND SUPPORTED?**

Professor Dinesh Bhugra, President and Professor George Ikkos, Honorary Treasurer

### **INTRODUCTION**

December 2009 sees the publication in the *Psychiatric Bulletin* of the minutes of the Summer 2009 Annual General Meeting, with a link to all the College Officers' reports to the meeting as published on the College website.

We complement the Honorary Treasurer's report, and our linked article in this newsletter on the finances of Faculties and Sections, with a few more details on the finances of the UK College Divisions in the financial year 2008. We have also included the Irish Division, which formed part of the College in 2008. Since 2009, following the inauguration of the College of Psychiatry in Ireland, our members in Ireland have been absorbed within the European Division.

The activities of the Divisions are funded primarily by College general funds. The largest single contributor to College general funds is membership fees (44% of the general fund and 29% of the total).

### **DIVISION FUNCTIONS AND HOW THEY ARE SUPPORTED**

Direct support to Divisions, funded by general funds that have not been recharged to them to date, includes dedicated Divisional Managers and Divisional Administrators.

Divisional managers and administrators provide support in areas including academic meetings, production and circulation of newsletters, media liaison, response to consultations, engagement with service users and carers, careers information, promotional activities, essay competitions and prizes and work in support of regional advisers. Divisional managers provide a focal point for communications and support for quarterly Executive Committee meetings. They also support College processes for ACCEA and Fellowship nominations via local input.

The gross salary costs for Divisional Managers and Administrators totalled approximately £536,000 in the year to 31<sup>st</sup> December 2008.

The figures above do not include overheads. The formula used by the College to attribute overheads depends upon the staff costs associated with any Department/activity. According to this formula, the attributable overheads in relation to the above staff support to Divisions amounted to approximately £232,000. However, Divisions do not pay overheads – rather overheads are absorbed by general funds, which in turn are dependent upon membership fees and other income streams.

Although we do not attempt to quantify them here in financial terms, many other Departments of the College assist in the work of the Divisions – including staff in Communications and Policy, Membership Relations, Professional Standards and Publications and Website – not forgetting of course, the Chief Executive, governance functions and colleagues in the College Education & Training Centre who work with the Divisions on joint training activities.

## **COLLEGE SUPPORT FOR DIVISION OFFICE ACCOMMODATION**

College support centrally includes also the rent and service charges, and other office costs, involved in maintaining Divisional Offices in the UK. These costs for the financial year 2008 were as follows:

<b>DIVISION</b>	<b>Number of members</b>	<b>£</b>
EASTERN	799	7,582
IRISH	763	43,265
LONDON	2,628	15,801
NORTH WEST	1,102	20,338
NORTHERN & YORKSHIRE	1,084	20,338
NORTHERN IRELAND	319	47,659
SCOTTISH	1,153	34,613
SOUTH EAST	1,432	7,581
SOUTH WESTERN	825	19,099
TRENT	837	12,263
WELSH	458	15,167
WEST MIDLANDS	866	12,263
<b>TOTAL</b>	<b>12,266</b>	<b>255,969</b>

## **DIRECT FINANCIAL CONTRIBUTION BY DIVISIONS TO CENTRAL COLLEGE FUNDS**

Divisions are able to income generate. The main source of income generation is through educational events. Divisions are charged a 15% contribution to the College Development Fund for these activities. The 15% charge applies to total gross income and not surplus. It should be recalled that, although Divisions contribute to the Development Fund, they do not pay overheads.

The total turnover (not surplus) for the financial year 2008, for Divisions was approximately £466,000. The amount levied for the central Development Fund was, therefore, approximately £60,000. In the past the Development Fund income has

been used to fund campaigns and plans for the new building. In 2008 it was absorbed in the General Fund in order to meet our Reserves Policy.

The total surplus generated by divisions in 2008 was £49,000. Divisions have been allowed over the years to keep any surpluses and determine their use, subject to approval from the Finance Management Committee and the Central Executive Committee. The end of year balances of Divisions for 2008 were as follows:

<b>DIVISION</b>	<b>NUMBER OF MEMBERS</b>	<b>BALANCE AT 31/12/2008</b>
EASTERN	799	977
IRISH	763	59,069
LONDON	2,628	7,696
NORTH WEST	1,102	16,543
NORTHERN & YORKSHIRE	1,084	1,920
NORTHERN IRELAND	319	33,489
SCOTTISH	1,153	11,069
SOUTH EAST	1,432	(9,200)
SOUTH WESTERN	825	63,523
TRENT	837	15,320
WELSH	458	(3,492)
WEST MIDLANDS	866	4,843
<b>TOTAL</b>	<b>12,266</b>	<b>201,667</b>

While there are some differences between the "Celtic" and English Divisions – the Celtic Divisions, because of their Assemblies or Parliaments with devolved responsibility for health services, focus to a greater extent upon political engagement – all Divisions carry out a broadly similar range of core activities. These link, in turn, to central College committees, staff and initiatives providing local input and expertise. Uniquely the South Western Division runs the local MRCPsych course.

## **ONE COLLEGE**

The Divisional Chairs in the UK decided earlier this year to undertake a review aimed at clarifying the functions of their Divisions within College structures and this is currently in progress. It is a timely initiative in view of the substantial investment of the College in setting up local offices throughout the UK, and very much to be welcomed.

We think that it is extremely important to repeat that we are one College, and not a set of disparate activities "controlled" from "the centre".

The work of the Divisions is integral to the mission of the College as a whole, and it wouldn't be possible without the individual time and dedication of College members who work, often at unsocial hours and in their personal time, to make these activities successful.

A special thank you goes to Division Finance Officers who do much to ensure the smooth running and integrity of the finances of the College. We are particularly aware of this at the moment as they have recently submitted budgets for the next financial year (a detailed and demanding process).

Dr Sadgun Bhandari demitted office as a Finance Officer in summer 2009. The current Finance Officers are:

Dr Emad Yousif (Eastern Division)  
Dr Jona Lewin (London Division)  
Dr Sukhjinderpal Mann (North West Division)  
Dr Gerard Garry (Northern & Yorkshire Division)  
Dr Damien Hughes (Northern Ireland Division)  
Dr Neil Simpson (Scottish Division)  
Dr Thirunellai Raj-manickam (South East Division)  
Dr Peter Carpenter (South West Division)  
Dr Gillian Pinner (Trent Division)  
Dr Velagapudi Bapuji Rao (Welsh Division)  
Dr Gabrielle Milner (West Midlands Division)

Financial arrangements can seem complex, but we hope that this short article is helpful in explaining levels of support in this key area of College work. Further details may be found in the Annual Accounts and Returns available on [www.charity-commission.gov.uk](http://www.charity-commission.gov.uk)

You should also feel free to ask for further information from your Divisional Finance Officer or from the Honorary Treasurer.