



IPS Financial Strategy 2021-2024

Version 1.3 March 2023



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EXECUTIVE SUMMARY

The Infection Prevention Society (IPS) is a registered charity (Charity no: 1120063) and a registered company limited by guarantee and not having a share capital (Company no. 6273843). Throughout this document it will be referred to as 'the Society'.

Like all charities the Society exists to benefit the public, not specific individuals. Because of this, charities pay reduced business rates and receive tax breaks but are restricted in what they can do and how they work. The IPS monitors its 'Memorandum and Articles of Association' which sets out how the Society is run, governed and owned and informs this document.

This document sets out the Society's Financial Strategy for 2021 to 2024. Its purpose is twofold:

- ✓ **To ensure that the Society is managed in such a way that its long-term financial health is secured; and thereby**
- ✓ **To ensure that all resources are directed towards achievement of the Society's charitable objects and key aims whilst recognising the context in which the Society operates.**

The Objects of the Society are to promote the advancement of education in infection prevention and control for the benefit of the community as a whole, and in particular the provision of training courses, accreditation schemes, education materials, meetings and conferences. This strategy has therefore been developed to support the activity identified in the societies Strategic Plan agreed by the Board of Trustees in April 2021.

The Society has two main income streams:

- ✓ **Income from Charitable activities.**
- ✓ **Investment income.**

From these sources of revenue the Society must cover its main outgoings. The Society's key financial risks are its size (less than £1.5m annual turnover) and reliance upon these two sources of revenue, specifically '*Society membership*' and '*annual conference*' as evidenced by the notable changes across the United Kingdom (UK) health and social care economy, the annual downturn in conference income over the past number of years, not least from the cancellation due to the Covid 19 pandemic in 2020.

Within this context, and in order to mitigate the risks of sustained financial downturn in one or more areas, two key strategies are identified:

- ✓ **The Society needs to diversify its income streams and funding base to mitigate longer-term risk.**
- ✓ **Strengthen and build existing reserves portfolio to provide financial resilience and avoid insolvency.**

These are expressed through three core financial principles and fourteen priorities which are summarised below and detailed in section 3.

Financial principles

- 1 The Society will operate in a financially sustainable manner to ensure its long-term ability to serve future generations.
- 2 The Society will use its financial resources solely for the furtherance of its proper charitable purposes.
- 3 The Society will account for and record its financial transactions in accordance with best practice as well as the requirements of the regulatory and legal framework.

Financial Priorities

1. Growing and diversifying income-generating activities in a sustainable manner.
2. Building and maintaining a sufficient level of contingency reserves.
3. Exercising rigorous control of Society budgets.
4. Ensuring that Society cash balances are appropriately controlled.
5. Developing best-practice financial procedures, systems and controls.
6. Ensuring adequate independent scrutiny of our financial affairs.
7. Ensuring adequate financial risk management is in place.
8. Establishing fees, subscriptions and charges that, where appropriate, cover full economic cost.
9. Making appropriate use of available Society assets to generate supplementary income.
10. Maintaining investment in core, primary purpose activities.
11. Maintaining and developing an expert and professional structure.
12. Ensuring value for money in the management of operational costs.
13. Ensuring there is sufficient income to maintain the long-term future of the society.
14. Ensuring money is invested ethically.

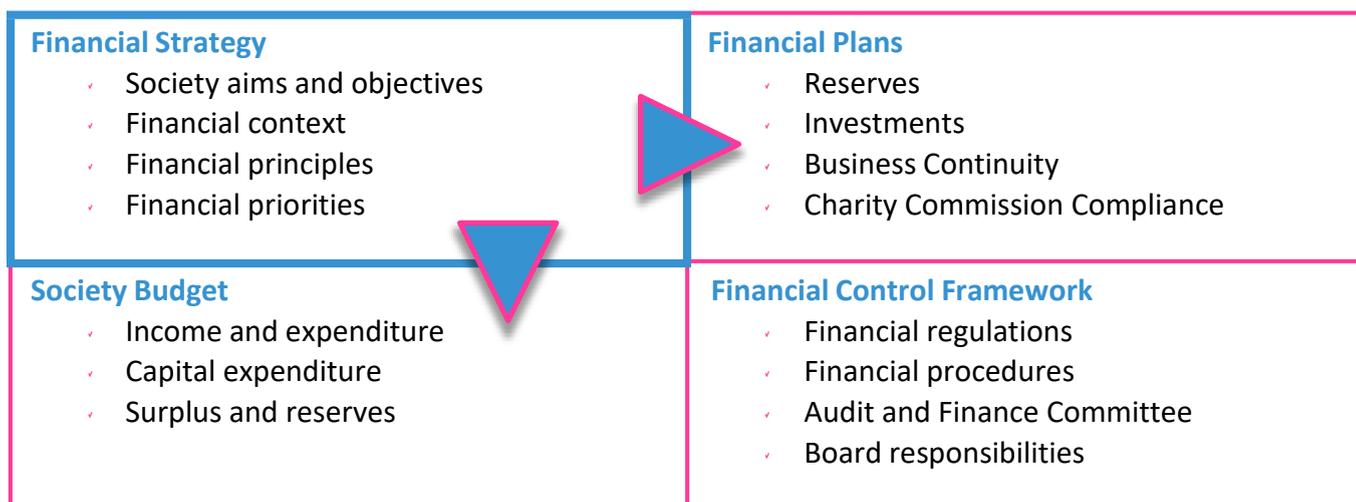
1.0 INTRODUCTION

This document sets out the Infection Prevention Society’s Financial Strategy for 2021 to 2024: a timescale coinciding with the remaining period of its 3-year strategic Plan 2021-2024, approved by the Board of Trustees in April 2021 and published on the IPS website.

The purpose of the Financial Strategy is twofold:

- ✓ **To ensure that the Society is managed in such a way that its long-term financial health is secured; and thereby**
- ✓ **To ensure that all resources are directed towards achievement of the Society’s charitable objects and key aims whilst recognizing the context in which the Society operates, i.e.:**
 - The legal and regulatory framework.
 - The Society’s stated charitable objectives and priorities.
 - Applicable financial principles and controls.
 - Current economic effects and outlook.
 - The Society’s current financial health.

As part of the Society’s financial governance, the financial strategy informs the annual Society budget and sets parameters for the Society’s financial policies, regulations and procedures.



The Board of Trustees and Audit and Finance Committee will actively ensure that the Financial Strategy is reflected and considered as part of all financial activity across the whole Society.

In addition, the Audit and Finance Committee in line with its terms of reference, will undertake to report to the Board of Trustees risk, internal control and financial governance issues and will review this document on at least an annual basis, as part of the preliminary stage of the budget cycle, to ensure that it remains relevant to its stated purpose, takes account of any changes in context and alignment to the Articles of Association, Society Strategy and Board Business plan/priority activities.

2.0 THE STRATEGIC FRAMEWORK

2.1 Summary and financial context

The objects of the Society (“the Objects”) are to promote the advancement of education in infection prevention and control for the benefit of the community as a whole, and in particular the provision of training courses, accreditation schemes, education materials, meetings and conferences.

The Society has two main income streams made up of various activities informed by the Objects. :

- ✓ **Income from Charitable activities**
 - Society memberships
 - Publications
 - Education
 - Annual conference
- ✓ **Investment income.**
 - Income from UK listed Investments
 - Income from non UK listed investments
 - Bank Interest receivable

From these sources of revenue the Society must cover its main outgoings, primarily: annual conference; publishing costs; meetings and associated expenditure, project development and the costs of maintaining its contracted support services. No income is received from government or raised through charitable donations as defined by the Charity Commission i.e. fundraising. Year on year the Society plans to make a surplus which is currently applied to the continued Society vision mission and strategic objectives.

The Society’s key financial risks are its size (less than £1.5m annual turnover) and reliance upon these two sources of revenue, more specifically ‘*Society membership*’ and ‘*annual conference*’ as evidenced by the notable changes across the United Kingdom (UK) health and social care economy, the annual downturn in conference income over the past number of years, not least from the effects of the cancelation due to the Covid 19 pandemic during 2020. Within this context Society income is currently reduced as a direct consequence of reduced income from the annual conference.

Against this the Society has an accessible investments reserve that does not yet cover a full 12 months of operational costs, if the conference costs are included, however they can be accessed in the short to medium term, the benchmark set by the Charity Commission for good practice and building resilience.

Reserves are needed to bridge the gap between the spending and receiving of income and to cover unplanned expenditure. By their nature Trustees should ensure that reserves are invested in a way that can be readily released as cash, when needed. There are no restrictions on the Board of Trustees to spend any income generated from investments or capital in any way, provided such spend meets the Objects of the Memorandum and Articles of Association.

2.2 Legislative and Regulatory framework

The Society's activities as a charity are governed primarily by the Charities Acts (2011), and by guidance issued by the Charity Commission for England and Wales. Essentially this requires that the Society:

- **Fulfills a defined charitable purpose; and**
- **Undertakes activities that are solely for the public benefit.**

The Society is subject to the general legislative framework binding all individuals and bodies within the United Kingdom and the specific accounting requirements of the Charities Statement Of Recommended Practice 2015, (SORP). The SORP incorporates international financial reporting standards and determines the manner in which statutory accounts must be prepared.

The Society's financial statements are also governed by the Companies Act 2006 and the Society memorandum and Articles of Association. The Board of Trustees also have responsibility for meeting the requirement of the Trustees Act 2000.

In order to maintain its charitable status and the benefits this brings both to the Society as an organisation and to its membership, it is imperative that the Society comply with these legislative and regulatory requirements.

2.3 Charitable Object

The Objects of the Society, as set out in its Articles of Association are to promote the advancement of education in infection control and prevention for the benefit of the community as a whole, and in particular the provision of training courses, accreditation schemes, education materials, meetings and conferences.

This is interpreted to mean:

- The Society will provide high quality resources, education and networking opportunities to enhance members' ability to provide effective infection prevention and control services.
- Define the professional attributes, knowledge and skills required by infection prevention and control practitioners to progress along a career pathway.
- Establish and maintain a credentialing process for professionals in infection prevention and control.
- Promote the principles and practice of infection prevention and control to patients, the public, and those working in health and social care.
- Support and contribute to the generation and dissemination of knowledge from research and implementation that enriches the practice of infection prevention and control.
- Support international outreach activity to promote the principles and practice of infection prevention.
- Be recognised as an authoritative voice on infection prevention and control by patients, the public, health and social care professionals, healthcare industry and policy makers.

- Operate a robust governance structure that enables charitable aims and objectives to be achieved.

In meeting this Object the Society provides public benefit through informing, promoting and sustaining expert infection prevention policy and practice in the pursuit of patient or service user and staff safety wherever care is delivered.

In addition the Society will provide leadership to shape and inform infection prevention and control knowledge, policy and practice to support safe care nationally and internationally.

2.4 Aims and Objectives

The Society set out its Strategic Plan 2021 – 2024 building on the previous strategic plan (2017-2020) and setting out the IPS strategic aim and objectives. The IPS Board of Trustees, Business Groups, Branches and Special Interest Groups will use the plan to guide activity and financial planning on an annual basis to ensure that the Society meets its charitable objectives, vision and mission.

This included four objectives through which its charitable objects are expressed, summarised below but provided in full on the Society website:

1. Ensure overall internal and organisation 'system' performance
2. Influencing and shaping infection prevention and control
3. High quality, innovative and relevant outputs
4. Deliver against operational target and sustainability

3.0 FINANCIAL STRATEGY 2021 - 2024

3.1 INTRODUCTION

The Society's core strategic objectives, as summarised in section 2, relate primarily to its mission and vision to inform promote and sustain expert infection prevention policy and practice as a means of bringing public benefit. They focus upon setting the agenda to shape and inform infection prevention and control knowledge, policy, and practice to support safe care nationally and internationally through:

- Quality of evidence and professionalism;
- Breadth and depth of outreach and engagement.
- Collaboration - with stakeholders, partners, organisations and individuals who have like goals.
- Employing technological development to achieve this.

The purpose of the financial strategy is to provide a financial framework for the achievement of these strategic objectives. This is presented as:

- A set of over-arching financial principles applying to all aspects of the Society's financial activities;

and

- A series of strategic financial objectives and priorities that define how, in financial terms, the Society will enable and support achievement of its core strategic objectives.

In establishing the overarching framework, the financial strategy also takes into account how the Society's specific, approved strategic objectives will be supported, by the Society Board of Trustees, Audit and Finance Committee, Management executive group, Branches and Special Interest Groups.

These groups will use the Society plan and financial strategy together to guide activity and financial planning on an annual basis to ensure that the Society meets its charitable objectives, vision and mission. With the governance of the finances being overseen by the Audit and Finance Committee. The Financial strategy will be reviewed by the Audit and Finance Committee annually to ensure it remains fit for purpose during the 3 years it covers.

3.2 FINANCIAL PRINCIPLES

The Society has three fundamental principles to ensure that its resources are directed towards continued achievement of its charitable Objects and aims.

The Society will operate in a financially sustainable manner to ensure its long-term ability to serve future generations.

This means:

- ✓ **The balance of Society income and expenditure must be kept under control by the Board of Trustees and unsustainable losses avoided.**
 - The Society's finances are not substantial and could be quickly undermined as the result of a series of poor decision making with negative financial consequences.
 - Whilst this does not rule out loss-making or unfunded activities, there must be a sound and agreed scientific, charitable or related reason for undertaking such an activity and, on balance, a sufficient number of other surplus-generating activities to offset any identified losses made.
 - In general, the Society will not set deficit budgets.
 - In general, the costs of service provision, (to member's projects events etc.) must be met in full by fees charged or income generated.

The Society will use its financial resources solely for the furtherance of its proper charitable purposes.

This means:

- ✓ **The Society will only engage in financial activities that support achievement of its charitable Objects and strategic objectives.**
 - This includes both primary purpose activities.
 - (E.g. Awards and grants, publication of scientific journals, books and other materials; the hosting of scientific, professional and public conferences and events; services to members, etc.) and those support activities which further or enable the Society's aims (e.g. investments; contractual partnerships, etc.).
 - Whilst not ruling out commercial endeavours for the purpose of generating income to use for charitable ends, such activities cannot become the main focus of the Society or negatively affect its ability to deliver its primary purpose.

The Society will account for and record its financial transactions in accordance with best practice as well as the requirements of the regulatory and legal framework.

This means:

- ✓ **The Society's finances will operate at all times within the regulatory and legal framework and will strive, where possible, to ensure that it meets the standards of best practice for control, management and reporting.**
 - The Society's finances will be operated in accordance with applicable legislation, including criminal law, taxation and charity law in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2015).
 - The Society's annual financial report and accounting statements will be presented in accordance with the Charity Commission's Statement of Recommended Practice, (SORP), Charities Act 2011, the Companies Act 2006 and the memorandum and Articles of Association.
 - Consideration will be given to financial control, management and reporting in similar organisations, with a view to adopting best practice where possible.

3.3 RISK AND FINANCIAL CONTROL

Current financial and economic risks

Risk is considered in terms of the wider environment in which the Society operates.

Although the risks that the Society might face are both financial and non-financial, a part of the ultimate impact of risk is financial in most cases with potential insolvency. This could be where the Society seeks compensation for loss, or costs incurred in managing, avoiding or transferring the risk, for example by purchasing public liability insurance.

A decline in income and funding streams along with a downturn in the economy can present the Society with considerable risk to its activity. The financial situation as a result of the Covid 19 pandemic and the effect that this has had on various revenue streams to the Society illustrates simply that the Society is not immune to rises and falls in the wider global economy.

Internal controls do not eliminate the risk of losses through theft and fraud, bad decisions, human error, breaches of controls, management override of controls and unforeseeable circumstances however internal financial controls reduce the risk of these events happening. Fraud is a huge risk to small charities and can come in various forms, both internally and externally. Examples of internal fraud include misuse of charitable funds and false invoicing, external fraud can range from unauthorised fundraising, credit card, identity fraud and email scams. The repercussions of fraud to a small charity such as the Society can result not only in financial loss but also significant damage to reputation and a lack of public confidence. To increase the governance of the society a new management structure was put in place in 2020 which included the introduction of the Audit and Finance Committee to ensure financial scrutiny of the charities financial activity.

Internal financial controls are essential checks and procedures that help the Board of Trustees:

- Meet their legal duties to safeguard the charity's assets
- Administer the charity's finances and assets in a way that identifies and manages risk.
- Ensure the quality of financial reporting, by keeping adequate accounting records and preparing timely and relevant financial information.

The aims of internal financial controls are:

- To protect the charity's assets.
- To identify and manage the risk of conflicts of interest, loss, waste, bribery, theft or fraud.
- To ensure that financial reporting is robust and of sufficient quality.
- To ensure that the trustees comply with charity law and regulation relating to finance.

The Board of Trustees need access to accurate and up-to-date financial information to enable them to make proper decisions. Trustees' meetings should be used to communicate information concerning the finances and financial management of the charity. All decisions by the Trustees concerning their charity should normally be taken collectively with significant decisions and action points noted in writing. The Society has a robust system of financial controls, governance and assurance in place to meet this criteria and controls as follows:

- Information and communication to the registered fiduciaries and the Society regarding financial data.

- Scrutiny of financial management by the Audit and Finance committee
- Adequate reserves and cash flow.
- Adequate investment and management.
- Suitable public liability and travel insurance cover.
- Nominated Society Honorary Treasurer and Deputy Treasurer post.
- Standard operating procedures.
- System of electronic expenses submission and authorisation process.
- Appointed Chartered Accountants.
- Contracted services of a Book keeper and Personal Assistant to the Board of Trustees.
- Communication across the Society in relation to financial process.

The Society does not own or operate or occupy any premises. A financial charge for office rental is allocated to the Society in addition to storage of Society assets.

The Board of Trustees operate a robust governance structure that enables Society aims and objectives to be achieved. This includes the Audit and Finance Committee, whose objective is to scrutinize the financial position on behalf of the board and ensure the board is kept aware of any financial risk. In addition a managed risk register is held by the Society Secretary and is reviewed at each management executive meeting.

The management executive group are responsible for analysing and reviewing sources of income as dependency on one source of funding can leave the Society vulnerable to increased financial risk and insolvency, diversification of income sources can protect against this. Risks of insolvency are reduced by having diverse sources of income and a core of secure funding, avoiding over-dependence on any one source. Diversification also has costs associated with it, such as increased management effort, therefore the Society would need to recognise at what point the benefits of diversification are outweighed by costs.

Identifying risk and understanding why reserves (Society investments) need to be held is an important part of the planning and budgetary process. Reserves are the resources that a charity has, or can make, available to spend for any or all of the charity's purposes once it has met its commitments and made provision for its other planned expenditure. It may be possible, for example to draw on reserves in difficult financial times.

Within this context and with a relatively modest annual turnover of less than £1.5, the Society's resilience is currently dependent upon a small number of income streams.

In order to mitigate the risks of sustained financial downturn in one or more areas, two core strategies are identified as a key priority:

- **The Society needs to diversify its income streams and funding base to mitigate longer-term risk.**
 - To utilise opportunities to diversify in the development and delivery of materials with other organisations/companies
 - *E.g. include virtual elements to conferences and work with various organisations to deliver educational materials/events*
- **Continue to strengthen and build existing reserves portfolio to provide financial resilience and avoid insolvency.**
 - Demonstrating the charity's resilience and capacity to manage unforeseen financial difficulties to its membership, the Commission and the public.
 - *E.g. introduce an annual investment plan to invest in high earning accessible schemes.*

3.4 GENERATING STRATEGIES TO MITIGATE FINANCIAL RISK

The Society will continue to operate and develop systems, controls and processes that ensure proper financial and budgetary control, in order to mitigate any risks to long-term sustainability and/or durability. We will do this through:

PRIORITY 1: GROWING AND DIVERSIFYING INCOME-GENERATING ACTIVITIES IN A SUSTAINABLE MANNER

This means that:

- The Society will seek to grow and diversify its income-streams, identifying and developing new areas so that it is not overly reliant upon its existing core revenue streams.
 - To support this, the management executive group will encourage new ideas for income generation (which might include new forms of corporate sponsorship, fund-raising for specific activities, and other external funding sources) and consider ideas put forward and how they support core strategic aims, before making any recommendation on further development or support to the Board.
- For existing core revenue streams – conferences and events, membership, and publications – the Society will guard against over-reliance on any one area or delivery platform.
 - To support this, Trustees will keep these activities under constant review to ensure that balance is maintained and, where a single area of core activity looks likely to generate in excess of 40% of all charitable income on an ongoing basis, it will devise plans for restoring balance.
- The Society will ensure that its existing assets are fully and appropriately used in generating supplementary income to support its charitable activities.

PRIORITY 2: BUILDING AND MAINTAINING A SUFFICIENT LEVEL OF CONTINGENCY RESERVES

This means that:

- The Society will aim to build and maintain a free reserve (i.e. unrestricted funds, not including fixed assets) sufficient to cover at least 12 months (but no more than 24 months) of core operational expenditure.
 - Core operational expenditure is defined as the full costs of Society expenditure, including support and administration, as identified on the annual Statement of Financial Activity. It will vary from year to year but, as at 11th May 2021 the level of free reserves identified in this manner (£553,900.54) stands at circa 50% of Society expenditure.
- The Society will aim, where possible and appropriate, to hold its reserves as General Funds and or investments, and will only designate funds for specific purposes where this is consistent with the achievement of key priorities and it is necessary to ring-fence the associated expenditure.
- The Society will not use borrowing as a means of funding development plans, in order to avoid the risk of debt-servicing undermining long-term, sustainability.

PRIORITY 3: EXERCISING RIGOROUS CONTROL OF SOCIETY BUDGETS

This means that:

- Annual budgets will be compiled, reviewed and approved by the board of Trustees in accordance with a set timetable by no later than the Board meeting in March of each year.
- Budgets will be balanced such that expenditure generally is constrained within means, as estimated by agreed income forecasts.
- Regular monthly updates on progress against budget and forecasts for the remainder of the year will be made as part of the production of the Society's Management Accounts.
- Budget-holders are responsible for ensuring that income and expenditure targets, as defined by the Annual Budget, are adhered to and, where this is not possible, plans are made to control further expenditure accordingly within limits agreed by the Audit and Finance Committee for the remainder of the financial year.
- The Honorary Treasurer and/or Board of Trustees may require budget-holders to explain variances.
- The Audit and Finance Committee will be responsible for monitoring the Society's budget surplus/deficit as it develops during the year and, where appropriate, scrutinising recommended amendments from MEG to the annual budget to include appropriate new activity where surpluses allow, or to restrict existing activity where deficits arise – prior to such changes going to the Board of Trustees for approval.

PRIORITY 4: ENSURING THAT SOCIETY CASH BALANCES ARE APPROPRIATELY CONTROLLED

This means that:

- Monthly reconciliation and review will be carried out of all Society bank accounts and cash balances to ensure that there are sufficient funds to meet commitments and that excess funds are most appropriately placed with a quarterly report from the Audit and Finance Committee going to the Board of trustees.
- The Society will continue to review its model of fund diversification in order to protect against bank insolvency processes and deposit compensation.

PRIORITY 5: DEVELOPING BEST-PRACTICE FINANCIAL PROCEDURES, SYSTEMS AND CONTROLS

This means that:

- The Society's financial planning and controls will all be fully documented and transparently aligned with regulatory requirements and the principles of best practice.
- All financial transactions will be properly recorded on the Society's finance system in accordance with financial regulations and financial procedures.
- All financial statements will be readily reconcilable back to the Society's finance system and supporting documentation.
- All regulatory returns (including taxation, Charity Commission, Companies House, etc.) will be produced accurately in the required form and in advance of the deadline for submission.

PRIORITY 6: ENSURING ADEQUATE INDEPENDENT SCRUTINY OF OUR FINANCIAL AFFAIRS

This means that:

- The Society's Board of Trustees and the Audit and Finance Committee will oversee arrangements for scrutiny of the accounts and of risk management
- An independent, external Chartered Accountant will be appointed by the Board of Trustees and nominated at the Society Annual General Meeting to undertake annual, statutory audit reviews of the Society's financial accounts and to report back their findings to the Board of Trustees prior to approval of the accounts.
- Approved annual accounts will be published publicly via the Society's website no later than 6 months after the end of the financial year to which they relate.
- Controls will be included (as part of priority 7) to guard against the risks of fraud and error.

PRIORITY 7: ENSURING ADEQUATE FINANCIAL RISK MANAGEMENT IS IN PLACE

This means that:

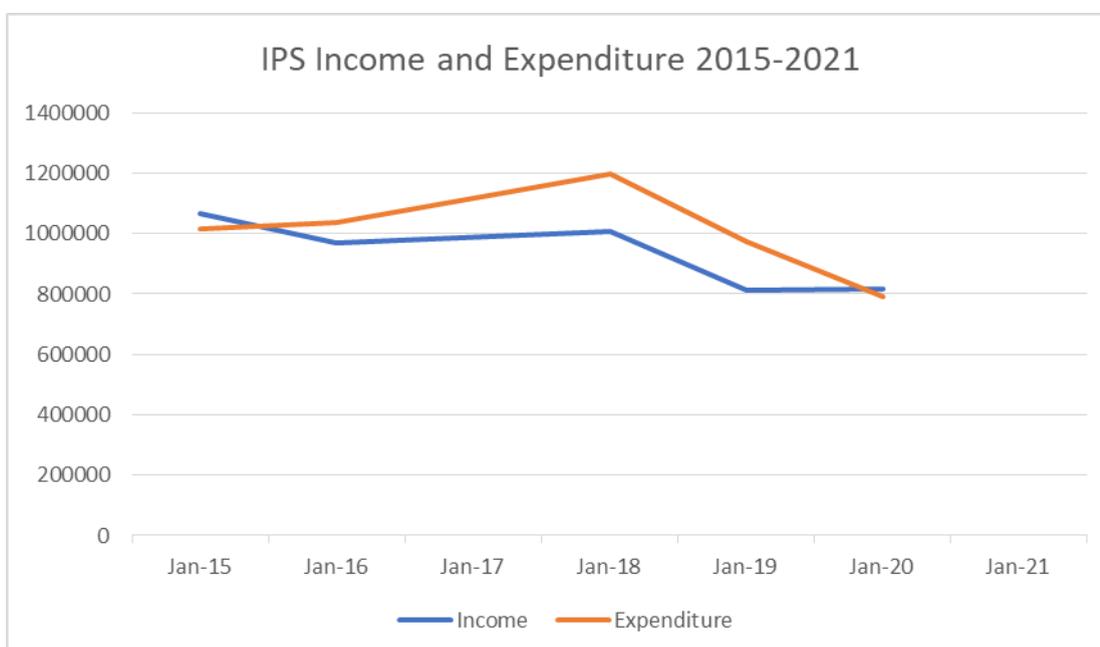
- The Society will review its risk assessment process annually and continue to perform regular reviews of its risk register via the board of Trustee, Audit and Finance Committee and the Management executive group.
- Insurance will continue to be used by the Society, where appropriate, as a means of mitigating certain financial risks, including: Public liability, travel, cyber-crime, etc.

3.5 INCOME STREAMS AND FUNDING

Context and current position

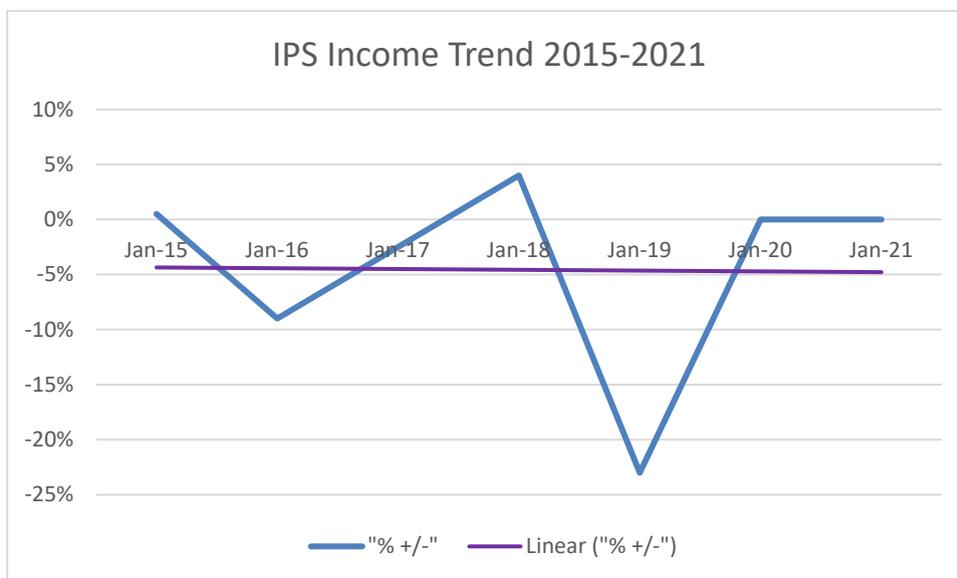
The Society's annual turnover (total income received) is summarised in its annual financial statements available online at Companies House and is illustrated in Chart 1.

Chart 1



A significant proportion of income relates to annual conference, membership subscriptions and education which are generally paid throughout the financial year. Income has been irregular however. The fluctuating trend for Society income is illustrated in Chart 2.

Chart 2



Implementing the financial strategy, reviewing current levels of activity through 2020/21, negotiating with contracted services and taking into account natural fluctuations, the Society is forecast a financial gain of circa £5000 in 2021/22.

The Society must also have an awareness of the healthcare and financial economies and how they impact upon the activities of the Society and how it can respond appropriately taking account of opportunities that balance against value for money and membership benefits.

Protecting and developing income streams

A cornerstone of ensuring the sustainability and resilience of the Society, so that it may continue in the long-term to achieve its core strategic aims and Object, is successful management of its existing income streams.

In addition to the priorities set out above, the Society will do this through:

PRIORITY 8: ESTABLISHING FEES, SUBSCRIPTIONS AND CHARGES THAT WHERE APPROPRIATE, COVER FULL ECONOMIC COST.

This means that:

- Fees, subscriptions and charges will be set at levels to ensure that, where possible and appropriate, full economic cost is covered, including a fair share of overheads where

contractual obligations apply.

- The Society will seek to improve how it communicates the value of services and membership benefits provided in return for fees charged, especially to its membership, so that individuals may better understand the level of fees agreed within budget.

PRIORITY 9: MAKING APPROPRIATE USE OF AVAILABLE SOCIETY ASSETS TO GENERATE SUPPLEMENTARY INCOME.

This means that:

- As a registered charity, the directors and Board of Trustees have a responsibility to protect the assets of the charity, while still being able to carry out their respective duties.
- Cash balances held at bank surplus to expenditure commitments will, subject to the approval of the Treasurer and Board of Trustees be placed on terms that maximize returns for the Society whilst balancing any associated risks and requirements of the Society's Investment model.
- The Society does not own any property services. As regards the purchase of equipment, economy must always be a major consideration in incurring any expenditure.
- Assets owned by the Society are largely office based and reduced in value in line with the Use and Disposal of IPS equipment (SOP OD265).

The Society's annual expenditure is summarised in its annual financial statements. To ensure the society's finances are being used resourcefully there is clear guidance and controls in place in SOP OD243 and an electronic approval process in place for transparency and audit purposes.

3.6 EXPENDITURE AND USE OF RESOURCES

Managing the resourcing of strategic objectives

The effective and responsible management of the Society's resources is a second cornerstone to ensuring sustainability, efficiency and durability. We will do this through:

PRIORITY 10: MAINTAINING INVESTMENT IN CORE, PRIMARY PURPOSE ACTIVITIES.

This means that:

- ✓ The Society will **invest** sufficient levels of expenditure to ensure continued delivery of its primary purpose activities and delivery of its core strategic objectives, aims and Objects. Specifically:
 - **Conferences and events** – ensuring that events are sufficiently planned and resourced to meet the objectives of scientific / professional quality, outreach, relevance, etc.; that sufficient budget is allowed for marketing and venue hire (where appropriate), materials, etc.; that sufficient, suitably experienced staff are assigned to the organisation and running of each event.
 - **Memberships** – provision of a high-quality membership services team with sufficient skill and capacity to support renewals, queries from members on membership benefits, use of the website, available Society services, etc.
 - **Publications and information** – provision of sufficient investment in publishing activities

to support continuous development of the function within a competitive market-place; re-investment of publishing surpluses (where/when possible to allow for upgrades in technology, process, etc.); continued investment in online journal access and digitisation of the Society scientific journal.

- **Awards and Grants** – specifically those Awards and Grants that offers a significant expenditure against Society funding/budgets such as Research and development Grants, Educational Grants for IPS members, IPS Conference Grants and Awards.
- ✓ The Society will invest sufficient agreed levels of expenditure in support services to ensure that its primary Objects can continue to be delivered in an efficient and effective manner, specifically:
 - **Information Technology and communications** – the Society will ensure that its online and social media presence are kept up to date through annual investment in required upgrades, replacements and subscription of new social media platforms where agreed, in order to ensure a satisfactory level of media presence.

PRIORITY 11: MAINTAINING AND DEVELOPING AN EXPERT AND PROFESSIONAL STRUCTURE.

This means that:

- ✓ an appropriate number of suitably-qualified staff will be maintained on the Society's contractual agreement in order to carry out its front-line and support activities, and specifically:
 - PA to the Board of Trustees
 - Bookkeeper services and Chartered Accountants.
 - And others as agreed
- ✓ Annual forecasted budgets will include amounts to cover the costs of appropriate additional training for the Society board of Trustees, Audit and Finance Committee and Management executive group members.
- ✓ The Treasurer will review and recommend approval or otherwise to the Board of Trustees, taking into account the other key points of this strategy for expenditure on appropriate activities and financial control.

PRIORITY 12: ENSURING VALUE FOR MONEY IN THE MANAGEMENT OF OPERATIONAL COSTS.

This means that:

- ✓ The Society will continue to develop and improve efficiencies in the purchasing and acquisition of goods and services to ensure that it obtains value for money, including an assessment of whether better value may be obtained through joining one or more appropriate purchasing consortia.

PRIORITY 13: ENSURING THERE IS SUFFICIENT INCOME TO MAINTAIN THE LONG-TERM FUTURE

OF THE SOCIETY.

This means that:

- ✓ The Society will operate in a way that contributes sufficient income to maintain the Society's long-term future and mitigates risk.

PRIORITY 14: ENSURING MONEY IS INVESTED ETHICALLY.

This means that:

- As a Society we would only see our resources associated with ethical based investments.

Joanne Taylor
IPS Honorary Treasurer

Appendix A – Internal Financial Controls Checklist

Charity Commission Internal financial controls checklist available at https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/585893/CC8_Checklist.pdf

The questions in this checklist are designed to help the Board of Trustees and their advisers evaluate the Society’s performance against the legal requirements and good practice recommendations set out in the Charity Commission’s guidance on internal financial controls for charities. Trustees should review the Society’s performance at least once a year.

Each of the questions on the checklist links to a paragraph of the guidance, where further details can be found. Not all the controls listed will be appropriate for the Society, for example, where a section of the checklist deals with an area of activity that the Society does not undertake then that section of the checklist will not apply.

The Society must always comply with legal requirements and these requirements are identified in the checklist. A ‘**yes**’ answer for good practice recommendations does not mean there is no scope for further improvement. A ‘**no**’ answer does not always indicate a problem. It may be that the Society has not put in place a particular control because the risk involved is small and the potential loss is acceptable, given the cost that would be involved in putting in place stronger internal controls.

Finally, the answers in the checklist should be based on the trustees’ knowledge of what actually happens in the Society and not what they expect to happen. Having an internal control in place is only part of the picture. It must operate in practice to be effective.

Example of the Checklist

2.1 Financial controls throughout the charity	Yes	No
Is there segregation of duties to provide automatic ‘double check’?	<input type="checkbox"/>	<input type="checkbox"/>
Do the trustees carry out an annual review of the internal financial controls?	<input type="checkbox"/>	<input type="checkbox"/>
2.2 Monitoring activities	Yes	No
Are annual budgets of income and expenditure prepared, and approved by the trustees?	<input type="checkbox"/>	<input type="checkbox"/>
Is performance measured against budgets at regular intervals and explanations sought for variances?	<input type="checkbox"/>	<input type="checkbox"/>
2.3 Internal audit and audit committee	Yes	No
Have the trustees considered the need to appoint an internal auditor or set up an audit committee?	<input type="checkbox"/>	<input type="checkbox"/>
2.4 Information and communication	Yes	No
Are the trustees provided with regular information about the financial performance of the charity?	<input type="checkbox"/>	<input type="checkbox"/>
Do the trustees discuss the financial performance of the charity at each of their meetings?	<input type="checkbox"/>	<input type="checkbox"/>

Appendix B - References

Charity Commission for England and Wales (2017): **Internal financial controls for charities (CC8)** available at

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/585892/CC8_new.pdf

Charity Commission for England and Wales (2017): **Charity reserves: building resilience (CC19)** available at https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/589406/CC19.pdf

Companies House (2017); **Accounts Filing History of Infection Prevention Society Company Number 06273843** available at <https://beta.companieshouse.gov.uk/company/06273843/filing-history>

Infection Prevention Society (2015); **IPS Investment policy statement (OD2131)** available at <https://www.ips.uk.net/members/resources/file/IPS-R-ZBU1UKR2CG5BVWC>

Infection Prevention Society (2021); **IPS Expenses Standard Operating Procedure** available at <https://www.ips.uk.net/members/resources/view/IPS-R-OH6VK2AYAORR4Z>

Infection Prevention Society (2015); **Principles for Procurement/contracting of services _SOP (OD2147)** available at <https://www.ips.uk.net/members/resources/file/IPS-R-A7VTB5W0AD002IE>

Infection Prevention Society (2015); **Standard Operating procedures** available at <https://www.ips.uk.net/members/ips-standard-operating-procedures-sops>

Infection Prevention Society (2015); **Memorandum and Articles of Association** available at <https://www.ips.uk.net/resources/file/IPS-R-FKR32APK134QE8H>

Infection Prevention Society (2015); **IPS Strategic Plan 2017 – 2020** available at <https://www.ips.uk.net/resources/file/IPS-R-6R9LJ28FI9LZKMO>

The Stationary office Ltd (2000); **Trustee Act 2000** (Chapter29) available at https://www.legislation.gov.uk/ukpga/2000/29/pdfs/ukpga_20000029_en.pdf

Updates made to Financial Strategy 2021 - 2024

Date	Section	Amendment	Author
10 th March 2022	Priorities, pages 17 & 18	Added Priority 13 Added Priority 14	Lynne Duncan following required by AFC at 9 th March 2022 meeting.
8 th March 2023	Executive Summary, page 2	Last sentence amended to reflect change from 12 to 14 priorities	Lynne Duncan as agreed at the AFC meeting on the 8 th March 2023.

Reviewed and approved by the IPS Board of Trustees 15th July 2021
Reviewed and updated by the IPS Audit & Finance Committee 10th March 2022
Reviewed and updated by the IPS Audit & Finance Committee 8th March 2023