

Finance & Operations Committee

Monday 13th November 2023

Minutes

Present: Sugra Alibhai
Peter Green
Lucy Harrison
Adrian Marrocco (Chair)
Jose Morago
Ellie Peters
Jeremy Ruff
Andrew Tebbutt

1.	Governance
2.	Minutes of Previous Meeting
3.	Matters Arising
4.	Finance Report
5.	Personnel Report
6.	Any Other Business

In Attendance: Beth Holmes
Ian Hooper
Claire Mugridge

Minute	Decision /Action	D/A/R
1.3	The election of a Committee Vice Chair to be deferred to the next meeting.	A
3.3.4	Claire Mugridge to provide benchmarking data relating to financial KPIs once published, which is expected to be next spring.	A
3.4.4	Sugra Alibhai and Claire Mugridge to investigate CCTV for the ICLMS temporary buildings and include this in the budget.	A
4.4	Peter Green to explore the purchase of the ICLMS portacabin further.	A
4.4	Claire Mugridge to share details of the CIF proposal around heating and ventilation to the Committee for approval, so the bid can be submitted by the December deadline.	A
4.5	Confidential decision.	D
4.5	Confidential action.	A

1. Governance

1.1. Apologies
David Lee.

1.2 Declaration of Interest
None.

1.3 Vice Chair

It was noted that the Finance & Operations Committee is currently without a Committee Vice Chair and, as there were no nominations, this would be deferred to the next meeting.

Action

2. Minutes of the Previous Meeting

The minutes of the meeting of 26th June 2023 were reviewed and approved as an accurate record of the events that took place and would be electronically signed by the Chair. As part of item 6 was deemed to be confidential, this would be removed from the minutes prior to them being uploaded to the Trust website.

3. Matters Arising

3.3.4 Claire Mugridge to provide benchmarking data relating to financial KPIs once published, which is expected to be next spring.

Action

4.2 The design plans for the hub had been circulated to the Committee.

4.3 The Trust is now placing money with Insignis.

4.4 Sugra Alibhai and Claire Mugridge to investigate CCTV for the ICLMS temporary buildings and include this in the budget.

Action

6. It was noted that all virtual Committee meetings would now commence at 5:30pm.

6. It was confirmed that the discretionary cost-of-living payment made to staff was not pensionable and the payment had been discussed and approved by the Board of Trustees.

4. Finance Report

4.1 Year-End Management Accounts

Claire Mugridge presented the year-end Management Accounts, explaining that the Trust ended the year with an operating surplus of £625k (after fixed asset purchases). The surplus before fixed asset purchases was £800k, which included a £853k surplus from Woodhouse College and a £53k deficit for ICLMS, the latter being a result of the timing of expenditure.

It was noted that Woodhouse's surplus was £192k higher than expected due to positive variances in lettings (£34k) and bank interest (£17k). In addition to this, supplementary income was received from the Homes for Ukraine scheme (£15k) and book deposit donations (£22k).

In response to a question from Trustees, Claire explained that the DfE recommends that Trusts should be aiming for an operating surplus of 3-5% of its income. Claire also explained that the Trust is planning on spending on capital projects throughout the year, these projects often have long lead times due to procurement rules and the fact that most works can only be done in the holidays.

4.2 Premises & Capital Works 2022-23

It was noted that £351k was spent on capital works last year, against an original budget of £300k, and projects included the refurbishment of toilets, redecoration of the Hub as well replacement of IT equipment, including laptops and desktops.

4.3 Management Accounts

Claire Mugridge presented an update on the 2023-24 management accounts, informing the Committee that there are few significant budget updates to report. The funding rate per student has been increased and this has increased the Trust's funding by £277k. It was noted that the Trust is in a more positive position than this time last year, as the staff pay award has been agreed at 6.5%. Claire informed the Committee that, as an increase of 7.5% had been budgeted, this saving will reduce budgeted costs by £59k. Overall the Trust's budgeted surplus for 23-24 has increased to £705k.

Trustees questioned whether the Trust had been impacted by the DfEs error around the national funding formula but were informed that neither Woodhouse College nor ICLMS are funded in this way.

4.4 **Premises & Capital Works 2023-24 (Including CIF Projects)**

It was noted that £400k has been set aside for capital works this year and the Committee discussed potential projects in detail. It was agreed that the ongoing programme of replacing toilets across the Woodhouse campus should continue at a cost of £110k, with the toilets in the millennium block and the rest of North Wing being next. **In response to a question from Trustees**, it was confirmed that, so far, 5 sets of toilets have been refurbished and positive feedback has been received from students.

In response to another question, Claire confirmed that the recent Asset Management Plan, prepared by Academy Estates did not raise any new issues, but the Trust is reviewing the report in detail and will build these works into the premises plan.

The Committee noted the quote for the replacement of fire doors, which the Trust aims to submit as part of this year's Condition Improvement Fund (CIF). **In response to a question from Trustees**, Claire confirmed that, whilst Woodhouse is compliant in terms of fire regulations, some improvements could be made to ensure that the College meets best practice, particularly in the main building.

Noting that this project has been costed at £700k, Claire explained that this includes installing the Paxton system on every door, which may not be necessary. Therefore, the Trust is reviewing the quote with a view to reducing this, whilst ensuring that it still meets best practice. The Committee was also reminded that institutions are expected to make a contribution of around 15% when applying for CIF.

The Committee discussed the current accommodation constraints at Woodhouse and noted the quality of the portacabin that has been provided by the DfE as temporary accommodation for ICLMS. **The Committee questioned** whether the Trust could purchase or lease this after the permanent ICLMS building is complete, noting that there are factors to consider such as how this would be staffed and managed in terms of safeguarding, what planning permission would be required and whether the toilets are built to last for an extended period in this temporary building. It was noted that the long-term goal of the trust is

to build on the plot of the Caretaker's Cottage, which would require significant investment and Trustees were also reminded that the student population in London is currently on the decrease. After some discussion it was agreed that the purchase of the portacabin should be explored further.

Action

Claire informed the Committee that, in addition to the fire doors, the Trust is also drafting a second proposal to the CIF to improve heating and ventilation across the campus, particularly in the North Wing. It was noted that quotes are currently being obtained and electronic approval will be sought from the Committee in order for the bid to be submitted in time for the December deadline.

Action

Claire confirmed that the new furniture for the hub and Canteen had been ordered and would be installed at Christmas, this project, cost £96k was approved electronically over the summer by Trustees.

4.5 Confidential Item Confidential minute.

4.6 Trading Company

The Committee received the minutes of the Woodhouse College Trading Company Board of 26 June 2023. It was noted that the lettings income was a record £324k, which was as a result of the recruitment of a Lettings Manager and this being the first full year post-covid. It was noted that, after the removal of staff and operational costs, £220k was donated to the Trust.

4.7 Reserves Policy

The Committee conducted its annual review of the Trust's Reserves Policy. It was agreed that reserves, from any previous years' underspend, may be utilised for one-off infrastructure projects, academy improvement or for urgent health & safety matters. The Trustees plan to use the existing reserves to:

- Continue to support the repair and refurbishment of the existing Woodhouse College estate. Much of the estate is in need of updating and the College Senior Leadership Team are developing a 10-year plan to refurbish the entire estate.
- Support additional building construction for the Woodhouse College estate. The Senior Leadership Team within the Trust will consider new building requirements over the coming years and will share proposals for the use of reserves with Trustees for consideration.
- Support ICLMS in the period up to full capacity. The amounts of support required will be approved by Trustees if needed.

In response to a question, Claire confirmed that the auditors may challenge the Trust's high level of reserves as they did last year. However, the auditors had been satisfied when the Trust explained that it was considering long term projects, such as the building of an additional study space for students, as well as holding contingency funds for ICLMS during its opening stage.

5. **Personnel Report**

Ian Hooper presented the personnel report and the Committee noted that, due to some late resignations, recruitment in computer science and law is currently an issue at Woodhouse College. It was noted that computer science is an issue nationally, with many teachers leaving the profession and moving back into the private sector.

In response to a question from Trustees, Sugra Alibhai explained that the majority of resignations were due to personal circumstances or as a result of staff moving to the independent sector. It was acknowledged that, whilst it is limited in what it can offer in terms of pay, more could be done to promote the benefits of working at Woodhouse. **It was requested** that the College do more to promote its links to Imperial College London, particularly around the provision of masterclasses that may be of interest to candidates.

Trustees questioned whether the Senior Leadership Team has reviewed the models of teaching practice within these departments, such as introducing Teaching Fellows, and Ian Hooper explained that these are very small departments and creating additional roles would mean that these would be overstaffed.

6. **AOB**
None.