

## Finance & Operations Committee

Monday 5<sup>th</sup> February 2024

### Minutes

**Present:** Sugra Alibhai  
Adrian Marrocco (Chair)  
Jose Morago  
Jeremy Ruff

**In Attendance:** Beth Holmes  
Ian Hooper  
David Lee  
Claire Mugridge

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

Minute	Decision /Action	D/A/R
1.3	To elect Jose Morago as Vice Chair of the Finance & Operations Committee.	D
3.3.4	Claire Mugridge to provide benchmarking data relating to financial KPIs once published.	A
3.4.4	PG to feed back on conversations about the purchase of the ICLMS portacabin.	A
4.2	Claire Mugridge to forward Insignis due diligence to Jose Morago.	A
4.3	Jeremy Ruff to send details of his contact who may be able to advise the Trust on IT issues.	A

#### 1. Governance

##### 1.1. Apologies

Andrew Tebbutt, Peter Green and Ellie Peters.

##### 1.2 Declaration of Interest

Jose Morago declared an interest in item 1.3 and did not participate.

##### 1.3 Vice Chair

It was agreed to elect Jose Morago as Vice Chair of the Finance & Operations Committee.

#### 2. Minutes of the Previous Meeting

The minutes of the meeting of 13<sup>th</sup> November 2023 were reviewed and approved as an accurate record of the events that took place, with minor amendments, and these would be electronically signed by the Chair. As item 4.5 was deemed to be confidential, this would be removed prior to the minutes being uploaded to the Trust website.

### 3. Matters Arising

3.3.4 Claire Mugridge to provide benchmarking data relating to financial KPIs once published. It was noted that all colleges have now been asked to provide this information and this data is expected shortly.

Action

3.4.4 Claire Mugridge confirmed that CCTV for the ICLMS temporary building has been included in the main premises budget and quotes for this work have been obtained. **In response to a question from Trustees**, Claire explained that the CCTV would feed directly into the main College system.

4.4 Conversations around the purchase of the ICLMS portacabin are currently taking place and it was agreed that this would be fed back to the Committee.

Action

4.4 The CIF bid was approved at the December meeting of the Board of Trustees. The Trust should receive the outcome of this in June 2024.

### 4. Finance Report

#### 4.1 Management Accounts

Claire Mugridge presented the November management accounts, explaining that the format of these has changed as a result of there now being two open schools within the Trust.

Claire reminded the Committee that the ICLMS budget projected an operating surplus of £43k but this has now reduced to £22k, as a result of the decision to appoint the Head of Maths from April 2024, rather than September 2024. Trustees were reminded that £50k of contingency has been built into the ICLMS budget and the financial position of the school remains secure.

Woodhouse College is now projecting a surplus of £680k, the original budget showed a surplus of £326k. The accounts for the 3 months to November show a surplus of £270k which is £195k higher than the year-to-date budget. Claire explained that the main changes between the budget and the new forecast were additional funding received to partially cover the 6.5% pay review. In addition, there has been a cost saving as the Trust included pay reviews of 7.5%. It was noted that the actual results for the period to November show lettings income that is £20k ahead of budget for the period due to increased demand.

Therefore, the Trust is projecting an overall surplus of £700k. **In response to a question from Trustees**, Claire explained that the Trust is mindful of generating another large surplus but must consider how much capital work it can realistically manage. The Committee was also informed that the Trust is speaking to budget holders to see whether any additional spend is required and is looking to use the reserves for more significant building project.

#### 4.2 Treasury Update

The Committee received an update on the cash balances as of 30 November 2023, noting that the total amount of reserves is £5.2m across all accounts and the final tranche of funds is now due to be

placed with Insignis, bringing this to a total of 2.4m across four tranches.

**In response to a question from Trustees,** Claire explained that the Trust has given notice on the Nationwide accounts and that the money would come back to Natwest when the notice periods were completed. Claire informed the Committee that it has been difficult to confirm the credit ratings for the institutions with Insignis but this information has now been obtained and is included in the summary of bank balances for Trustees reference.

**In response to a final question,** Claire confirmed that the Trust conducted a large amount of due diligence prior to using Insignis and would send this to Jose Morago.

Action

#### 4.3 Premises & Capital Works

The Committee considered the premises and capital works, noting that funds spent on ICLMS capital can be claimed back from the DfE and all money spent up to this point has been reimbursed.

At Woodhouse, Claire explained that the College is expecting to spend more money on IT this year due to a number of issues with the servers. It was noted that new servers have been hired temporarily whilst the substantive servers are being repaired. **In response to a question from Trustees,** Claire explained that a critical upgrade was installed which caused a problem with the servers, which are only two years old. In addition to this, further spend may be required in order to upgrade PCs and laptops across the College.

**In response to another question from Trustees,** Claire confirmed that whilst the Trust is receiving advice around IT issues from JISC, independent advice would be helpful and Jeremy Ruff agreed to send details of his contact who may be able to support in this regard. It was noted that the Trust is now considering various options, such as moving to a cloud-based system.

Action

It was noted that a number of smaller projects are also taking place in college, such as the refurbishment of the toilets and the replacement of furniture in the Hub, which has received positive feedback from the Student Council.

Claire explained that the Trust is reviewing its Asset Management Plan, which has identified a number of areas for improvement, such as the cracks at the front of the building. **In response to a question from Trustees,** Claire explained that, whilst the Trust is eager to complete work on the College, some of this can only be conducted outside of term time and projects needs to be planned well in advance.

#### 4.4 Funding 2024-25

The Committee received an update on anticipated funding for the next academic year and it was noted that, whilst the final funding formula

has not yet been received, SFCAs has confirmed that the main funding will increase by 1.8%.

Therefore, the Woodhouse draft budget for 2024-25 shows a surplus of £300k, based on pay rises of 4%, with costs increasing by 5% and electricity by 10%, due to the contract being up for renewal in autumn 2024. The ICLMS 2024-25 budget has been drafted on the same assumptions and shows a £25k deficit, due to the opening grant decreasing next year.

Sugra reminded the Committee of the Trust's 5-year priorities, which include organisational excellence and financial sustainability through resource planning and efficient estate management.

It was noted that staffing costs is currently 78% against income, but Sugra informed the Committee of the need to increase staffing in key areas, such as IT and leadership, and explained that this figure could increase to around 80%. **In response to a question from Trustees**, it was confirmed that the average for the sector is around 82% and Sugra explained that the Trust often starts new posts as a one-year fixed term contract to see if these are making the desired impact.

Sugra explained that the long-term ambition is to create a space for students to relax, ideally a new building, and a working party will be convened to start discussions around this.

#### **4.5 Contract Management**

Claire presented the contract overview, which is considered by the Committee annually. It was noted that the electricity contract will be renewed in autumn 2024 and the gas contract in Easter 2025.

### **5. Personnel Report**

Ian Hooper presented the personnel report, informing the Committee that the Trust has now received ten requests from teachers wishing to change their working hours. It was noted that recruitment in the law department remains a challenge, but it is hoped that a temporary appointment has now been found.

Finally, the Committee was informed that there is some churn in staff at present and late resignations have meant that it has been a challenge to find replacements in good time.

### **6. AOB**

None.

The meeting concluded at 6:30pm.