

Finance & Operations Committee

Monday 6th March 2023

Minutes

Present: Sugra Alibhai
Peter Green
Lucy Harrison
Adrian Marrocco (Chair)
James Marshall
Jeremy Ruff
Ellie Smith
Andrew Tebbutt

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

In Attendance: Ian Hooper
David Lee
Claire Mugridge
Beth Yap

Minute	Decision /Action	D/A
3.3.4	Claire Mugridge to circulate benchmarking data relating to financial KPIs once published.	A
4.2	To proceed with the quote from Trovex for the refurbishment of half the College toilets (£115k), as well as to obtain furniture for the Student Hub (£80k).	D
4.3	Confidential action.	A
4.4	Adrian Marrocco, Peter Green, Sugra Alibhai and Claire Mugridge to work on the Treasury Policy and Strategy.	A
5.	Outcomes of the staff survey to be shared at the next meeting of the Committee.	A

1. Governance

1.1. Apologies

None.

1.2 Declaration of Interest

None.

2. Minutes of the Previous Meeting

The minutes of the meeting of 7th November 2022 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 minutes 4.7 and 5 were deemed to be confidential, these would be removed from the minutes prior to being uploaded to the Trust website.

3. Matters Arising

- 3.4 Claire Mugridge explained that benchmarking data relating to financial KPIs was not yet available but confirmed that this would be shared with Trustees once published.
- 4.3 Jeremy Ruff has liaised with the Trust to identify potential contractors for planned capital work.
- 4.6 Claire Mugridge had circulated the College's energy usage figures.

4. Finance Report

4.1 Management Accounts 2022-23

Claire Mugridge presented the Management Accounts to 31 January 2023, explaining that the Trust's operating surplus is currently £572k. It was noted that Woodhouse College's year-to-date surplus (£537k) is £341k higher than originally budgeted.

The Committee was informed that the College's income was £110k higher than budget, largely as a result of lettings income being £44k higher than anticipated and the receipt of £18k of additional Education Health Care Plan funding, due to nine EHCP students now being on roll.

Claire explained that College expenditure is £231k lower than budget mainly due to £171k staff costs variance, but the Committee was reminded that the 2022-23 teaching staff pay award has not yet been agreed. **In response to a question from Trustees**, Claire explained that the Trust originally budgeted for a 5% staff pay award but has since increased this to 6%.

The Committee noted that the Trust is now projecting an operating surplus of £290k.

The Committee questioned how the Trust could ensure that realistic budgets are set by departments, to avoid ending up with a large unbudgeted surplus each year. Claire responded that it is an issue the Trust is aware of and is working with departments to ensure they set adequate but not excessive budgets. Claire explained that there are now comparative figures for the Trust, so this will assist with setting budgets for 2023-24. The Committee noted the possibility of reducing department budgets, to what they know they will require, whilst holding a central pot of contingency money that can be allocated to departments if required. This would stop every budget including a contingency and ensure budgets are more realistic.

Finally, the Committee noted that the Trust's cash position remains strong.

4.2 Premises & Capital Works

The Committee reviewed the premises and capital works for the academic year, noting that the Trust has spent £18k so far on IT projects

and that this work will likely total around £100k, compared to the budgeted figure of £80k.

The Committee reviewed quotes for the refurbishment of the toilets. **In response to a question from Trustees**, Claire confirmed that the Trust would like to refurbish half of the toilets this year (£115k) and obtain furniture for the Student Hub (£80k).

The Committee was reminded that this work was originally planned for last summer but did not take place due to contractors' long lead times and the Trust is now eager to move this forward. **In response to a question from Trustees**, Claire confirmed that she and the Premises Manager have contacted other schools who have used Trovex and visited sites to see their work. The Committee agreed to proceed with the quote from Trovex for the refurbishment of half the College toilets as well as to obtain furniture for the Student Hub.

Decision

The Committee was also informed that the Trust will receive £79k of government funding to use on green initiatives and has planned to replace the lighting across the College campus, including the floodlights, which comes to around £80k.

Claire reminded the Committee that the Trust has set aside £200k a year for the next 10 years for the refurbishment of the College campus and instructed a surveyor to draft a programme of work. The Committee agreed on the proposed way forward but **requested** that the Trust do not take on too many projects at once.

4.3 Confidential Item
Confidential minute.

Action

4.4 Trading Company Update
The Committee received an update on the Woodhouse College Trading Company, noting that £139k of lettings income has been received, compared to the year-to-date budgeted figure of £95k.

In response to a question from Trustees, Claire confirmed that the Trust has historically been cautious in predicting lettings income, particularly following covid, and agreed that it could be more realistic in this area. **In response to a follow up question**, Claire confirmed that the College site is now at capacity in terms of lettings, with some Saturdays having every classroom booked. It was noted that, as it is currently at capacity, the Trust will be recruiting an additional member of staff for the Lettings Team.

4.5 Funding
Sugra Alibhai presented an update on the Trust's funding for 2023-24, explaining that the national funding rate has been increased by 2.2% from £4542 to 4642 and the teachers' pension scheme employer contribution grant will continue.

The Committee noted that the high-value courses premium will continue into 2023-34 but there are changes to programme cost weightings. Sugra also informed the Committee that funding has been calculated for ICLMS and this is based on 40 students, rather than 60, as a result of the temporary accommodation, due to the building not being ready.

Sugra then drew attention to the main areas of consideration for 2023-24, highlighting that the Trust's energy and cleaning contracts are due to come to an end, with the latter likely to increase as a result of ICLMS.

Sugra explained that the trust may need to build additional staff capacity, in areas such as MIS or HR, if necessary, and also plans to improve IT across the Trust by replacing old equipment. **In response to a question from Trustees**, Claire confirmed that cyber security is a priority for the Trust and money was spent replacing data centres last year in order to make the College more secure against cyber-attacks.

4.6 Contract Management

The Committee reviewed all the Trust's current contracts over £10k. Claire explained that the cleaning contract is due to expire this year and the Trust will continue to ensure that these staff are paid the London Living Wage. It was also noted that the external audit contract will also go out to tender this year. It was agreed to renew the catering contract for a period of one year, on the basis that this is retendered when the ICLMS building is complete, and the Trust has two kitchens.

5. Personnel Report

Ian Hooper presented the personnel report, highlighting the issues around wellbeing, retention and a lack of people entering the teaching profession nationally. Ian also informed the Committee that the annual staff survey took place this week and initial reviews of the data suggest Woodhouse has become an even better place for staff this year. It was agreed that the outcomes of the staff survey would be shared at the next meeting of the Committee.

Action

In response to a question from Trustees, Ian confirmed that Trust employees have access to an Employee Assistant Programme, which offers up to 6 counselling sessions. Sugra Alibhai confirmed that the Trust has received anecdotal feedback about this provision which has been positive.

In response to a question around recruitment, Ian confirmed that the Trust is receiving fewer applications to adverts but there has been no decline in quality or experience.

Finally, the Committee considered the staffing information that would be included in the CEO Report presented to the Board of Trustees.

6. AOB None.

The meeting concluded at 7:15pm