

## THE GOVERNING BODY OF THE ELIOT BANK AND GORDONBROCK PRIMARY SCHOOLS FEDERATION

Minutes of a meeting of the Resources Committee held on Monday, 29 April 2019 at 6.00 p.m. at Eliot Bank Primary School

### PRESENT

Mr P. Fidel	Chair for the meeting
Ms M. Gilmore	Executive Headteacher
Mr N. Hayles	
Ms K. Knowles	
Ms H. Lyttle	

### Also present

Ms A. Carter	Senior Admin Officer, Gordonbrock
Mr G. Goode	Premises Manger – for item 11
Ms S. McAllister	Federation Business Manager
Mr M. Ridler	Head of School, Eliot Bank
Ms J. Wright	Head of School, Gordonbrock
Mrs J. Woods	Clerk

### 1. APOLOGIES FOR ABSENCE

Apologies for absence were received from Mr Bremner.

### 2. DISCLOSURES OF INTERESTS AND DISPENSATIONS

Governors were reminded that they must declare conflicts and pecuniary interests before items were discussed, and must withdraw from the meeting while the item was under discussion.

### 3. MINUTES OF THE LAST MEETING AND MATTERS ARISING

It was **RESOLVED** that the minutes of the meeting of the Committee held on 7 February 2019 be approved as a correct record.

There were no matters arising which were not dealt with elsewhere on the agenda.

### 4. TO AGREE THE BUSINESS FOR THE MEETING

The order in which items were to be discussed and those items which would be considered as urgent business was agreed upon.

### 5. 2018/19 BUDGET UPDATES

***Mr Fidel opened the discussion by asking Ms McAllister to explain the very difficult circumstances which school business managers across Lewisham had been facing in preparing the budget plans this year.***

Ms McAllister reminded governors that the budget estimates were usually received in January each year, but had only been received on 18 March this year, two months late. This had left almost no time to close the 2018/19 budget by the local authority's deadline of 29 March, and had made it extremely difficult to begin work on the salary estimates for 2019/20. Ms McAllister and Ms Carter had both worked on the new budgets during the holidays, but had not received the brought forward balances until 25 April. At this point, the budget sheet would have been circulated to governors, but Ms McAllister said that this had not been possible because there had been a number of discrepancies with the figures, and she and Ms Carter had both had to attend SIMS training the following day. They had worked on populating the template during the day of the meeting, copies of which were circulated for the Committee's consideration. Because the templates were year-specific, it was not possible to update the previous year's document.

Ms McAllister said that the local authority was still asking for approved budgets to be submitted by 1 May, but had conceded that if schools were finding this impossible, budgets could be accepted

after this date, but not as late as the deadline in the past of 31 May. Ms McAllister stressed that the local authority must be informed that the new deadline of 1 May was not working, and Lewisham Finance must revert to the former deadline of 31 May if the template could not be provided in January. All other schools in the Borough were facing the predicament, with some schools being forced to postpone their governors' meetings to approve their budgets. She said that it had been possible to present a three year budget plan for the meeting, based on the best estimate of the outturn figures.

Apart from the delay in receiving the information needed to set the budget, Ms McAllister also drew governors' attention to difficulties with the budget templates, which were completely rigid, with no room for flexibility. Ms Gilmore added that the template made an assumption that all money in each budget heading would be used, and there was no room for manoeuvre. However, the biggest issue had been around the timeliness of the information received from Lewisham Finance, and the pressure caused by this had been exacerbated by the immense pressure put on school business managers to attend SIMS training, which had not been of good quality.

**Mr Fidel asked whether there was a group in Lewisham to represent school business managers/senior admin officers.** Ms McAllister said that there she had been part of a Finance Steering Committee in the past, but this no longer met and complaints were ignored. It was agreed that the impact of the failings in issuing the finance information was of such significance that a Borough-wide approach was needed. Ms Gilmore informed governors that a new Finance Team was now in post, but it had been clear when they attended the recent Headteacher's Forum that they were lacking in experience. She suggested that she could raise the issue with Michael Roach and with Sara Williams at the Schools' Consultative meeting on 4 July.

**Mr Fidel was mindful that if schools complained on an individual basis, they would receive individual feedback; he felt that a group of schools would carry much more weight and asked whether anyone would be able to co-ordinate an approach on behalf of the heads.** Ms Gilmore said that heads were constantly raising the issues with finance, and complaining about the lack of figures/templates, but it appeared that the Finance section did not have the necessary manpower or quality of staff. She said that she could discuss this with Sharon Lynch, the Chair of the Leadership Forum.

Governors agreed that a response must also be made from the Eliot Bank and Gordonbrock Governing Body to express their deep concern about the appalling problems with the provision of the budget information. **Mr Fidel pointed out that the information was provided every year, and there was no excuse for the very late circulation of the budget figures.** It was **RESOLVED** that a formal response should be made from the Resources Committee to state that this situation was not acceptable and schools could not function under this extreme and avoidable pressure.

**(a) Eliot Bank**

The budget vs actual report for the period ending 31 March 2019, the budget report, and the 2019/20 budget plan were circulated. Ms McAllister highlighted a number of areas shown in the budget report where additional income had been received from the original approved budget.

- £10,392 had been received from the Teachers' Pay Grant to offset the additional cost of the last pay award (I01).
- £4,352 had been received from the unspent growth fund. It was noted that this was distributed to all schools in Lewisham, in differing proportions (I01).
- An adjustment had been made to the Nursery funding, with a higher amount paid for deprivation funding (I01).
- One of the EHCPs had been reviewed and increased by £117, but the additional funding had not been received by the year end (I03).
- The amount of the Pupil Premium Grant had been estimated at the start of the year, and the amount received had been £4,400 higher (I05).

- The funding for School Direct had increased by £1,590, but this had not been received before the closing of the accounts (I06).
- £6,154 had been received through the insurance scheme for a maternity claim; five weeks was still outstanding (I10).
- £3,493 had been transferred from Kelvin Grove for deputy headteacher costs for the Children's Centre (I17).
- A total of £86,086 had been received for the PE Grant and Universal Infant Free School Meals. This was 'in/out' income and had all been spent (I18).
- Additional capital income of £18,999 had been received from the Department for Education.

The original in year deficit had been £195,550, but this had been eliminated, and the 2018/19 financial year had ended with an in year surplus of £306. There would be a budget surplus of £450,833 to be carried forward to 2019/20, with a capital surplus of £41,545, making an overall surplus of £492,378.

**(b) Gordonbrock**

The budget vs actual report for the period ending 31 March 2019, the budget report, and the 2019/20 budget plan were circulated, and Ms Carter highlighted variations from the approved budget.

- An additional £6,000 had been received from the growth fund, and £13,000 for the Teachers' Pay Grant (I01).
- SEN funding had fallen by £10,041 from the predicted level at the beginning of the year because a child with an EHCP had left the school (I03).
- The Pupil Premium Grant had not changed since the previous report, but additional income had been received for children adopted from care (I05).
- The income from Ms Gilmore's School Improvement Board work had increased slightly, shared between both schools (I07).
- An additional £1,000 had been received for the Nursery and Breakfast Club. Ms Carter informed the Committee that the Breakfast Club was still operating at a small profit (I08).
- There had been a very small shortfall of £197 in the amount predicted for supply insurance claims (I10).
- £110,000 had been included in the budget for school meals, and the actual income had been £107,000.
- £40,000 had been moved from the 'other income' budget to the capital budget to fund the purchase of new computer equipment. This included replacement laptops, trolleys, and desktops which were failing at a cost of £50,000 in total.

The budget had ended with an in year surplus of £199,375, with an overall surplus of £802,892. The surplus in the capital budget was £48,004, which made an overall surplus of £850,896 to be carried forward to the 2019/20 budget.

**6. TO APPROVE THE 2019/20 BUDGETS AND THREE YEAR BUDGET PLANS**

**(a) Eliot Bank**

The Committee then scrutinised the budget plan for 2019/20. Ms McAllister and Ms Gilmore had met to discuss this on 25 May when the figures had been received, and it had been apparent that there were errors in the salaries for the second and third years, which had now been corrected.

Governors were reminded that the outturn for 2018/19 had a surplus of £450,833. Ms McAllister had budgeted for two teachers leaving, but because additional resignations had been received, it was necessary to replace some of them. The school would still receive funding for the bulge classes in 2019/20 but this would be lost in 2020/21.

Governors' attention was drawn to the significant fall in funds delegated by the local authority for 2019/20 from £2.3m to £2,093,969 in 2020/21. The budget plan predicted a slight increase the following year, but Ms McAllister reminded governors that these were only draft figures.

If all of the budget headings were spent in full in 2019/20, there would be an in year deficit of £124,826. Ms McAllister reminded the Committee that it had been possible to eliminate the £193,000 in year deficit last year to a modest surplus, but it was becoming increasingly difficult to identify areas for further savings, and she predicted that there would definitely be an in year deficit of some size.

**Ms Lyttle asked whether there was the possibility of taking additional bulge classes,** but Ms Gilmore said that there was no longer any demand for additional places in Lewisham. **Ms Lyttle then asked whether a popular school such as Eliot Bank could attract enough additional children to run extra classes.** Ms Gilmore explained that this would not be an option and the school would only be able to apply for a permanent increase in size. It would also be too late now to consider applying to recycle the bulge classes for September.

Because the spreadsheet was so rigid and the cell was protected, Ms McAllister pointed out that there was an assumption that the contingency of £28,917 would be spent and there was no leeway to indicate that it was not anticipated that this would be spent. This affected the end of year position and carried forward to subsequent years, and impacted on the deficit in the third year.

As a result of the savings made during 2018/19, the second year was now anticipated to end with a surplus of £46,355, but if no further changes were made, a deficit of £371,269 was predicted for the end of 2021/22.

Ms Gilmore reminded governors that the predictions were based on all of the budget being spent, which was unlikely to happen, and some further cuts would be made in addition to the contingency not being used. Although the three year picture was not positive, she was mindful that the situation could be much worse. Ms McAllister explained that Lewisham Finance continued to say that schools must set balanced budgets, which included no having an in year deficit, but with the reduction in funding, it was not possible to set the budget for future years on this basis. She said that she and Ms Carter would continue to report to governors each term to give an update on the deficit position.

Governors agreed that Ms McAllister and Mr Ridler had done an excellent job in restructuring the teaching assistant support at the school, which had eliminated the £195,000 in year deficit for 2018/19 and turning the predicted deficit in 2020/21 into a £46,000 surplus. Although there would be savings associated with the loss of the teachers for the bulge class, this would not offset the loss of funding for these classes, and it was essential to reflect and review what was financially viable constantly and to identify any areas where savings could be made.

**Mr Hayles asked about the additional funding received from the Department for Education.** Ms McAllister said that Eliot Bank had received £18,000 capital funding for 'little extras' and Gordonbrock had received £22,000. The DfE had funded schools for the teachers' pay increase of 2-3% in the first year, but this was not expected to continue for subsequent years, and funding would reduce in real terms.

**Mr Fidel asked the main reason for the reduction of £125,000 in the surplus between 2018/19 and 2019/20.** Ms McAllister said that this was largely due to incremental progression, with seven teachers expected to move up the Upper Pay Scale in the next couple of years.

Ms McAllister was asked the reason for the increase in the building maintenance and improvement budget (E12). She explained that the outturn for 2018/19 had been £28,000, and she had increased this to £46,000 because of the need to pay for new boilers and pipework. Some of this work had been scheduled for 2018/19 but it could not be completed until the summer holidays.

Ms Gilmore said that the amount of supply cover used was being scrutinised carefully, and both schools were using the bare minimum of supply and agency staff.

Mr Fidel pointed out that the three year budget plan which had been presented last year had predicted a much worse position, and because of very prudent internal financial management, it had been possible to improve the situation significantly, turning round the predicted deficit in 2020/21 to a surplus.

**(b) Gordonbrock**

The Committee then considered the Gordonbrock budget plan. Ms Carter reminded governors that Gordonbrock was in a slightly different position to Eliot Bank, and had not made any staffing reductions so far. There had been some natural wastage among teaching assistants, and the six who had left when the children they supported had moved to secondary school had not been replaced. The budget plan had been based on the teaching assistant level remaining constant, but Ms Carter said that Gordonbrock would be reviewing the use of teaching assistants along the model used by Eliot Bank to reduce staffing costs. There would also be changes to PPA cover, and if the situation worsened further, it may be necessary to consider having PPA time on Friday afternoons.

The budget plan at Gordonbrock was a stand-still budget, with a 3% inflation uplift. Staffing costs equated to 71% of the budget for 2019/20, rising to 76% as a result of anticipated pay progression.

Ms Carter informed the Committee that £35,000 had been allocated to the capital budget for 2019/20 for the cost of work to renew staff toilets and the kitchen.

The funding from the local authority had reduced slightly for 2019/20, and SEN funding had reduced and had been included at the lower level for the subsequent years. This was because there were now only three children at Gordonbrock with EHCPs, although the outcome of two more applications was awaited.

***Ms Knowles asked about the impact of PPA time taking place on Friday afternoons and whether this would involve closing the school.*** Ms Carter said that this may mean sending the children home at 1.30 p.m., but this could have a significant impact on the budget. Ms Gilmore added that this had not been considered in detail at this stage, but was a potential measure that could be taken in an emergency. She said that the first step to be taken to reduce costs would be to look at the number of support staff; at present each class had a full time teaching assistant, which was now almost unheard of in other local schools. Ms Carter said that cuts could be made in resources, for example reducing swimming from three terms to two. It may also be possible to make reductions in the resources budget, because Gordonbrock was generally very well resourced at present. It had always been agreed that staffing levels would be maintained until the Ofsted inspection had taken place, but it was now possible to begin to think slightly differently.

***Mr Fidel was mindful that it was not possible to vire money from one school to another, but he asked whether there was scope to employ support staff on Federation contracts.*** Ms McAllister said that this had already been done with some admin and premises staff. Ms Gilmore said that she was aware of a federation where there was sharing of the Senior Leadership Team, and employing senior staff across the Federation could potentially give flexibility for the future. She also said that it was important to consider the growth of the Federation in the future.

After careful consideration, it was **RESOLVED** that the 2019/20 budgets and three year budget plans be approved, signed, and submitted to the local authority.

## 7. STAFFING ISSUES

### **Eliot Bank**

Ms Gilmore informed the Committee that four resignations had been received from teachers, all of whom were relocating; one was moving to South Africa, one to Sussex, one to Bristol, and the other to Canada. She reminded governors that the deadline for resignations was 31 May, so further movement was still possible. Eliot Bank had needed to lose two teachers because of the loss of the bulge classes, but with four resignations, it was necessary to recruit new staff. The advert had attracted a lot of interest for the class teacher posts as well as the leadership jobs, and Ms Gilmore said that applicants had said that they were attracted by the reputation of the Federation and the leadership.

One Schools Direct student had been recruited; consideration was being given on where to place her, and it was likely that she would go to Eliot Bank.

The only other changes to staffing at this time were Mr Ridler's resignation and Ms Walsh's appointment as his replacement. The interviews for the Deputy Headteacher were due to take place in early May.

### **Gordonbrock**

Ms Wright informed the Committee that four resignations had been received from teachers. One was relocating to Bristol and another to Spain; the third teacher had indicated at the start of the year that she wanted to work overseas, and was moving to Vietnam. The fourth teacher was a phase leader who had been rehoused in Wandsworth, and was finding the journey very difficult. In addition, another teacher had been for an interview that day, but the outcome was not yet known.

Interviews had taken place at Gordonbrock that day, and Ms Gilmore said that the strength of the applications had been very good, with four appointable candidates. There had also been a strong field for the vacancies at Eliot Bank, some of whom had applied for posts at both schools. Interviews would take place at Eliot Bank the following day, and if more good applicants were seen than were needed during these interviews, Ms Gilmore explained how changes could potentially be made to accommodate them.

## 8. PREMISES AND HEALTH AND HEALTH AND SAFETY ISSUES

Mr Goode's detailed premises report had been circulated to members of the Committee, and he was welcomed to the meeting.

**Mr Fidel asked for an update on the automatic gates at Gordonbrock.** Mr Goode explained that a fault had been caused by a power surge the previous week; this had been a safeguarding issue, and he had been able to make a temporary repair. The gates were due to be repaired the following day under the service contract. Ms Clarke said that it may be necessary to replace the electronic gate system; she reminded governors that the building was now seven years old, and some of the fixtures and fittings were coming to the end of their life.

Mr Goode said that the new cleaning contract was going well so far. Changes had been made to the staffing levels, which had had a good impact. He would be meeting the director of the cleaning company in two weeks to carry out a site inspection of both schools. **Mr Fidel asked whether the deep clean had been carried out satisfactorily;** Mr Goode said that there had been an improvement, and it was agreed that both schools now smelled fresher. In addition, Ms Wright said that the carpets in Reception had been cleaned straightaway. It was agreed that the Governing Body had made the right decision to change the contractors.

Mr Goode gave an update on the recent theft of 60 laptops from 2 trolleys located on the Year 6 landing at Eliot Bank. It was noted that the thieves had entered the building at first floor level, removing an entire pane of glass and thereby avoiding the alarm sensors on the ground floor. The necessary forms had been received to claim for the cost of the laptops from the insurance policy, and the claim would be processed once the budget work had been completed. It was noted that there was a £500 excess on the policy.

It was not yet clear whether it would be worth claiming for the cost of the broken window because of the excess on the buildings insurance policy. Mr Goode informed the Committee that he had met the consultant from ADT, the alarm provider, who had suggested installing two further sensors on the landings. It had been agreed that the theft must have been carried out by someone with knowledge of the building in view of the nature of the entry point. **A governor asked about security arrangements for the replacement laptops.** Mr Goode said that in the past they had been stored in the classrooms, all of which had alarm sensors, but it had been decided that they should be stored on the landings to save classroom space; however, they would all be locked in the classrooms in future.

**Mr Hayles asked whether the Police had given an update on the theft, and pointed out that similar thefts had taken place in other local schools.** Ms Gilmore said that the Police did not have the manpower to follow up incidents such as this, and Mr Goode said that it had taken over an hour before he had been able to obtain a crime number.

Mr Goode informed governors that there were issues with the CCTV camera on the community entrance, and Seecam had attempted to replace the camera. Previous attempts had been made to upgrade the cameras, but this had interfered with the system, and the cameras were now obsolete. The school's IT technician had been present when Seecam had looked at the fault, and it had been possible to get the camera working again. He had suggested trying to change the camera concerned initially, but that it may be necessary to replace the entire system if this did not work.

There was an issue with the air handling unit on the kitchen roof at Gordonbrock which was being investigated by Foreshaws. Unfortunately, they could not rectify the problem until the middle of May, and it may be necessary to replace some of the parts. Mr Goode said that he was also concerned at the time it was taking to rectify the issue with the heating in the main hall.

**Mr Fidel asked for an update on the biomass boiler at Gordonbrock.** Mr Goode said that the auger and drive shaft had broken, and the boiler was due to be serviced on 23 May as agreed at the last meeting. The replacement of the gas boilers was currently under consideration, and this may be carried out during the summer holidays.

Mr Goode was thanked for his report.

## 9. POLICY REVIEWS

The Committee reviewed the Financial Management Policy, which had been updated to reflect the change of the Executive Headteacher, and the change to the new SIMS/Capita financial management system from Wauton Samuels. It was **RESOLVED** that the Financial Management Policy and Code of Practice be approved and commended to the Governing Body for ratification.

The Segregation of Duties for both schools were appended to the Financial Management Plan. It was noted that it would be necessary to update the Eliot Bank document at the next Governing Body meeting to reflect Mr Ridler's departure and Ms Walsh's appointment, together with the new Deputy Headteacher once appointed.

The Ordering Procedures were also appended to the Financial Management Plan, and it was noted that no changes were proposed.

Governors then considered the Best Value Statement for the Federation, and it was **RESOLVED** that the Best Value Statement be approved for 2019/20 without amendment.

The Committee considered the Statements of Internal Control. ***It was noted that the SFVS submission had been reviewed and completed with Mr Bremner for Eliot Bank on 15 March, and Mr Hayles had reviewed and completed the Gordonbrock return on 22 March.*** It was **RESOLVED** that the Statements of Internal Controls be approved and signed by Mr Fidel.

There had been discussion about benchmarking at the last meeting, but Ms McAllister informed governors that it had not been possible to provide information for consideration at this meeting. It was therefore **RESOLVED** that the report on benchmarking would be deferred to the autumn term meeting.

Ms McAllister informed governors that the schools would be under the audit review period again from September, and both schools were due to be audited in November 2020.

**10. URGENT BUSINESS**

There were no items of urgent business for discussion.

**11. DATE OF NEXT MEETING**

Governors were reminded that a schedule of meetings for the 2019/20 academic year would be presented to the next meeting of the Governing Body for approval.

Chair .....  


Date .....  
*31st Oct 2019*