

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

Minutes of a meeting of the Resources Committee held on Thursday, 31 October 2019 at 6.00 p.m. at Gordonbrock Primary School

## PRESENT

Mr P. Fidel	Chair for the meeting
Ms M. Gilmore	Executive Headteacher
Mr L. Henry	

## Also present

Mr G. Goode	Federation Premises Manger – for item 7
Ms S. McAllister	Federation Business Manager
Ms K. Walsh	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, Mr Hayles, and Ms Knowles. The Committee were informed that, in order to ensure that the meeting was quorate, Mr Fidel had taken action under the urgency procedures to appoint Mr Henry to the Resources Committee.

### 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. ELECTION OF CHAIR FOR 2019/20

The Clerk took the chair for this item and invited nominations and self nominations for a governor to serve as Chair of the Committee for 2019/20. Tom Bremner was nominated in his absence and it was noted that he was willing to continue as Chair for the current academic year. It was **RESOLVED** unanimously that Mr Bremner be elected as Chair for 2019/20.

In Mr Bremner's absence, Mr Fidel chaired the meeting.

### 4. ANNUAL REVIEW OF TERMS OF REFERENCE

*The Committee carried out the annual review of their terms of reference.* It was agreed that they were an accurate reflection of the Committee's responsibilities and that no changes were needed for 2019/20. It was therefore **RESOLVED** that the terms of reference be approved and commended to the Governing Body for ratification.

### 5. 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.

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

It was **RESOLVED** that the minutes of the meeting of the Committee held on 29 April 2019 be approved as a correct record.

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

### 7. PREMISES AND HEALTH AND SAFETY ISSUES

The premises report had been circulated prior to the meeting, and governors welcomed Glenn Goode, the Premises Manager, to the meeting.

Mr Goode drew governors' attention to several items which he had included in his report for discussion.

## **Eliot Bank**

The report on the outcome of the health and safety audit, which had been carried out by Ed Farrelly from Estate Management in June, had been passed to Mr Fidel. This had been a formal and rigorous inspection, and had been carried out over several half days as part of the four yearly cycle. The audit had looked at all of the school's health and safety protocols, together with the infrastructure. Mr Goode thanked governors for their support with premises matters, and informed the Committee that the local authority had been very impressed with the work carried out at the school and the way in which health and safety was endorsed.

Ms Gilmore said that this had been one of the first audits that Mr Farrelly had carried out since his appointment, and he had been very impressed with all he had seen. He had taken photographs of the signage in place for children with allergies, EpiPen users, and storage, and had asked if he could share the school's policies. He had been particularly impressed with the high profile of health and safety in the Federation, and the meeting structure. A minor issue had been raised about the ventilation for flammable vapours, which had now been rectified.

**Mr Henry asked for an indication of the proportion of the budget that was spent on health and safety issues.** Ms McAllister said that this would be a maximum of 5-10%.

It was noted that a similar audit would be taking place at Gordonbrock next year, but no date had been given so far.

Governors congratulated Mr Goode for having achieved such an excellent outcome from the audit.

The Committee noted that the Health and Safety Policy had been reviewed and would be submitted to the Governing Body for approval in November.

Work to the roof of the ICT suite had been completed on time and to a good standard during the summer holidays, and there were currently no snagging issues. The work had been funded by Lewisham and carried out by Pinnacle. A bid was being prepared by Lewisham for the replacement of the roof to the main block and the internal pipework, which would take place during the summer holidays in 2020. Mr Goode informed governors that the new pipes would be surface mounted, and may look unsightly. It was likely that this work could be quite disruptive to some of the classrooms. Ms Walsh asked whether the surface mounted pipes would be hot to the touch; Mr Goode said that it may be necessary for some of the pipes to be boxed in, but this would be discussed in planning meetings and would form part of the contract. **Mr Henry asked if there was a contingency plan for any slippage.** Ms McAllister pointed out that the planning stage had only just commenced, and there would be a need for clarity around the timescale and extent of the work as part of the discussions.

## **Gordonbrock**

The new building was now in its seventh year, and some of the electronic aspects were starting to fail. Mr Goode said that there were no serious issues, but additional expenditure was being incurred with replacement of batteries and emergency lighting around the site; this often involved the use of towers, which were costly. **Mr Henry asked whether there was a sustainable environmental strategy for these costs,** but Mr Goode said that at this level, the school would be expected to use money from the devolved formula capital budget. Ms Gilmore reminded governors that she had pointed out last year that the building was reaching the point where things were starting to deteriorate and reach the end of their life, and the school had planned for additional costs.

Mr Goode informed the Committee that the work to the biomass boiler had been completed, and he would load the pellets in the near future. He was still slightly concerned about sustaining the pellets over the coming cold and damp months, and to prevent them from swelling, but he would only order enough to last until April, and would then leave the storage chamber empty during the summer. It had previously been agreed that the school would give the biomass boiler one further

winter, and would then take a decision on whether it should be retained or replaced. In the meantime, the gas boilers had been updated.

The refurbishment to the kitchen and staff toilet had been completed over the summer holidays, and very positive feedback had been received.

**Mr Fidel noted the reference in the report to the two unplanned activations of the fire alarm and asked the reason for these.** Mr Goode said that the MCP had been activated on both occasions. One of the MCPs had been located in the loft of the small hall, but there had been no apparent cause for this. The second activation had been to the MCP in a stairwell and it was suspected that it may have been hit by one of the external doors, possibly by one of the children taking their lunch out to the playground.

**Mr Fidel questioned the cost of the tree maintenance contract, which was approximately £8,000; he asked whether it was possible to obtain a cheaper service or if Mr Goode felt that this was good value for money.** Mr Goode said that it was essential to demonstrate that the Federation had a regular maintenance programme in place, and did not think that it would be a cost effective exercise to obtain other quotes. He pointed out that there were 70 trees on the Eliot Bank site, and considerable pollarding work was carried out to the trees at Gordonbrock.

Mr Goode was thanked for his report, and he then left the meeting.

## **7. 2019/20 BUDGET UPDATES**

Ms McAllister informed the Committee that the report for Gordonbrock would not be as detailed as usual due to Ms Carter's sickness absence.

### **Eliot Bank**

The Committee considered the budget report and narrative, together with the revenue and capital summaries, and the new general ledger cost centre template.

### **Income**

I01 – Funds delegated by the local authority

Ms McAllister reminded the Committee that although there had been a healthy budget surplus from last year, the school had lost the bulge class, which had impacted on the 2019/20 budget.

The nursery funding projection had been reduced by £21,202 because of the slow uptake of places this year. There were currently 14 full time children on role, and 8 part time places, but it was hoped that numbers would increase over the next couple of months.

£7,524 had been received for the Teachers' Pay Grant towards the increased costs of the teachers' pay increase.

The Minority Ethnic Pupils Funding Grant of £31,494 was now included in I01 rather than in I04.

I03 – SEND funding

Additional funding of £3,200 had been received.

I05 – Pupil Premium Grant

The amount of the grant had been estimated at the start of the financial year, and a total of £95,640 had been received, which was £7,320 less than predicted. Although last year's Nursery parents had been aware that they needed to apply for the Pupil Premium in Reception, and ten had done so, the school had still lost Pupil Premium funding due to the loss of the bulge class.

I18 – Additional grant – There had been a reduction of UIFSM funding of £4,116, with a corresponding reduction in expenditure.

Overall there had been a reduction of £21,915 in the income.

## Expenditure

There had been a slight saving on expenditure so far, mainly due to changes in staffing.

The in year deficit had increased by just under £4,000 to £128,764. **Mr Henry asked for clarification of the difference between an in year deficit and an overall deficit.** Ms McAllister explained that the 2018/19 budget had almost broken even, with an accumulated surplus of £450,833 which had been carried forward to the new budget. However, the school was currently living beyond its means, and was eating into the surplus. She reminded governors that this was largely due to the loss of income for the 45 children in the bulge classes, although this was offset in part by the savings made from the loss of two teachers. **Ms McAllister offered to meet Mr Henry to explain the budgets in more detail.**

Ms Gilmore stressed that the in year deficit was based on the worst case scenario of spending the total allocation in all budget areas, and the school was trying to make savings wherever possible. The Governing Body had agreed to make one of the nursery teachers redundant last year in the light of the prediction of falling numbers, and this had clearly been a prudent decision. It was important to take action now to avoid the school facing a more serious situation in year 3 of the budget plan.

Ms McAllister then drew governors' attention to the new General Ledger Cost Centre report, which had been produced through SIMS FMS, the new Finance system used by the federation. This report had been circulated to governors in advance as part of the finance report and was in a very different format from the Wauton Samuels system which had been in place for a number of years. Ms McAllister highlighted the main variations from the agreed budget.

Cost code 1301 – Tree maintenance

The budget was overspent by £565 as a result of additional work needed.

Cost Code 1808 – Security

Expenditure was currently at 80% because it had been necessary to install a new CCTV system, and to repair the gates twice.

Cost Code 1205 – Premises maintenance

It was expected that this budget would be underspent.

Cost Code 2210 – Telephone charges

This budget was overspent by £724 because it had been necessary to buy two new phones which were coming to the end of their lifespans.

Cost Code 2620 – General support staff supply

There was an overspending to date of £2,661 due to long term sickness in the office. The member of staff concerned was now receiving half pay, but it would be necessary to vire some additional funding to this budget to meet the cost of the agency cover. It was anticipated that the person concerned would return in the new year.

Cost Code 2703 – Drumbeat

Additional funding of £3,200 had been received for inclusion nursery funding, which had been spent on support at Drumbeat.

Cost Code 2905 – Clerking / 2808 – Federation consultancy

The cost of services under these budgets had been allocated to the Eliot Bank budget, and half would be recharged to Gordonbrock.

Cost Code 2817 - ParentPay

There was an overspending of £121.82 in this category. Ms McAllister said that ParentPay was very popular with parents, and she would allocate more to this budget next year. Although there was a small cost for each transaction, the saving in staff time was significant.

#### Cost Code 2826 - SIMS SLA

It was noted that SIMS charged for their service over the academic year rather than financial year, and there would therefore be two charges for this year.

#### Cost Code 3101 – Children Centre management

This budget appeared to be overspent but this was due to an accounting error and the additional expenditure would be moved to the Family Support Worker code (3100).

#### Cost Code 3130 – Children Centre security

Expenditure on entry phones had taken this budget over the expected spend level for this point in the year. The cost was due to be reimbursed by Lewisham.

#### Cost Code 4040 – ICT devolved capital

825% of this budget had been spent, because of the allocation of an additional £10,000 which had been spent on new staff laptops and PCs to replace old and outdated equipment. A number of teachers had not had laptops, which had affected their planning, but all now had working laptops. A total of 14 laptops had been purchased, and a further 2 were needed.

### Gordonbrock

#### Income

##### I05 – Pupil Premium

An additional £7,920 Pupil Premium funding had been received, together with £7,700 in funding for a looked after child who had been adopted from care. In addition, £8,103 had been received from Lewisham for funding for a learning support assistant.

##### I07 – Other grants and payments

£3,500 had been received from the School Improvement Board for Ms Gilmore's work, and £6,000 had been received from FoG towards the cost of outdoor furniture. An additional £600 had been received for an out borough looked after child.

##### I18 – Additional school grants

The school had received £9,896 for the teachers' pay grant, and £8,875 for the PE grant. The budget for UIFSM had been reduced by £1,166.

Mr Henry asked whether the payments received were index linked. Ms McAllister said that none of the DfE funding streams were index linked.

#### Expenditure

At the start of the financial year, an in year deficit of £287,320 had been predicted, but this had now been reduced to £228,042. Governors were reminded that the surplus carried forward from 2018/19 had been £802,892. **Ms McAllister was asked whether any of this surplus could be used to support Eliot Bank**, and explained that the funding was allocated on a per pupil basis and could not be spent on another school.

The reason for such a large budget surplus was questioned. Ms Gilmore reminded governors that the school had saved money for several years towards the cost of the new building, but Lewisham had paid for the rebuild. In addition, the school had benefited from the growth fund when the roll had expanded, and the school was full. **Mr Fidel reminded the Committee that in the past, Lewisham had operated a balance control mechanism whereby schools could only carry forward a maximum of 8% of their budgets unless there were exceptional circumstances, but this was no longer the case.** However, it was noted that it would be possible to change the proportion payable by each school for shared services, or to adjust the percentage charged to each school for Federation staff.

##### E08 – Indirect employee expenses

The recruitment budget was slightly above the expected level because of the employment of a teaching assistant and leaning support assistant who had been working as supply staff last year. It had been possible, however, to negotiate a single agency fee rather than two.

#### E19 – Learning resources

The budget for school trips was over budget at present, but would be adjusted by the transfer of money from school funds. The departmental budget was underspent, but the Committee were reminded that the main spend took place in the spring term.

#### E27 – Bought in professional services

Ms Gilmore pointed out that the schools did not buy into the training programmes because it was possible to provide high quality training in house because of the high level of skill within the Federation. The cost of the peer reviews was not high but some other schools paid a lot to buy into SSAT etc.

The percentage of service level agreements appeared to be high, but many of these were annual charges. Ms McAllister said that she negotiated the cost of the SLAs wherever possible, and was often successful in getting a 5-10% reduction.

### 8. 2020/21 BUDGETS AND THREE YEAR BUDGET PLANS

#### 9. SCHOOLS FINANCIAL VALUE STANDARD (SFVS)

Ms McAllister advised the Committee that this would be the final time that the budget plan was presented in this format. Lewisham Finance had now devised a new budget template, which would feed into the SFVS return. She explained that the Department for Education now wanted additional information from local authorities on schools on how they spent their funding, and were looking at expenditure of maintained schools against academies. The new format had only just been released by Lewisham, and it had not yet been possible to populate the form fully. Ms McAllister explained that the budget return must be signed off by the Chair of the Governing Body and submitted to Lewisham Finance by 30 November and governors were asked to approve the information presented in the report produced in the old format, which would then be transferred to the new format. Ms McAllister also informed governors that the new budget submission template would have to be submitted to the local authority twice a year, by 15 June and 15 November.

The Committee then discussed the three year budget plans.

#### **Eliot Bank**

Compared to May's budget submission an extra £25,317 had been included under education support staff (E03) for the Nursery redundancy costs.

A surplus of £450,833 had been carried forward from last year, and if all of the budgets were spent in full, this would reduce to £322,069 at the end of the year. This would then reduce to £111,248 at the end of 2020/21, and would become a deficit by the end of 2021/22. The budget plans took account of the reduction in funding in 2020/21 because of the loss of the bulge classes, and Ms McAllister stressed that the predictions were based on the assumption that every budget allocation would be spent in full, which would not be the case. She said that there would be an in year deficit for years 1 and 2, but she hoped that it would be possible to make enough savings for the position to level out by year 3.

**Mr Henry asked why the schools did not work to a five year budget plan.** Ms McAllister explained that this was not practical because the funding for schools was so volatile that it was not possible to predict that far in advance.

#### **Gordonbrock**

The 2019/20 budget had started with a huge surplus of £802,892, and if all budgets were fully spent, this would reduce to £574,850 by the end of the financial year. Although the school was living beyond its means, Ms McAllister said that not all of the budgets would be spent in full.

Mr Henry asked whether the government funded the cost of the teachers' pay increase. Ms McAllister said that although schools had received a teachers' pay grant, this was nowhere near enough to meet the full cost.

**Governors then discussed the new budget template.** Ms Gilmore explained that Lewisham Finance had appointed a number of new staff, and the new Team Leader was working hard to bring about improvements. The new template would be more rigorous, and would include a number of new factors, including drilling down to staffing costs, and giving a RAG rating for expenditure in each area. Ms Gilmore said that staffing costs in the past had included teachers, support staff, admin staff etc, but would now include the cost of agency supply staff, which would make a significant difference to the expectation that staffing costs should equate to 75% of schools' budgets.

**Mr Henry asked how long it would take to populate the new template.** Ms McAllister said that she expected it to take up to a month to complete all of the information but once it had been populated, she did not anticipate the new reporting system to be more onerous.

**Mr Henry asked whether the new system would be helpful in deciding on spending priorities,** but Ms Gilmore said that she and Ms McAllister would still go through the same process to identify needs. Ms McAllister felt that the new system would be helpful in pulling the information together for SFVS. The format for the SFVS requirements had now changed, and the necessary information had been fed into the dashboard by Lewisham.

It was **RESOLVED** that the budget plans for 2019/20 and the three year budget plans be ratified, and the Chair be authorised to sign off the budgets once the information had been transferred to the new format for submission to the local authority by 20 November.

## **10. BENCHMARKING DATA**

Ms McAllister circulated comprehensive benchmarking data for each school, and governors were asked to take this away and review the information. Ms McAllister had selected similar schools for the benchmarking exercise, and had chosen a range of different criteria including income, expenditure on staff, premises, supplies and services, workforce data, and in year balances and reserves.

## **11. STAFFING ISSUES**

### **(a) Eliot Bank**

There had been no significant changes since the staffing update given to the Strategic Group. A new Year 3 teaching assistant had been recruited because the person appointed previously had not passed safer recruitment, and their reference was awaited.

It was hoped that the member of the office staff who was on long term sick leave would return to work in January.

A temporary assistant headteacher had been appointed to cover Mary Quinn while she was on maternity leave. Another teacher had returned from maternity leave that day.

Ms Gilmore informed governors that the sickness absence in both school offices was a significant issue, and staff were working well beyond their hours to cover the work. Although financial recognition had been offered to the staff concerned, they did not want to accept this. Mr Henry asked if it would be possible to arrange for cover, but it was pointed out that much of the work was very specialised and could only be covered by Ms McAllister.

### **(b) Gordonbrock**

Two teaching assistants had been appointed. A member of the office staff was on maternity leave and temporary cover had been arranged. It was noted that one of the learning support assistants/midday supervisors had resigned over the summer holidays.

**12. URGENT BUSINESS**

No items of urgent business were raised.

**13. DATE OF NEXT MEETING**

Governors were reminded that the next meeting had been scheduled for Thursday, 27 February 2020 at 6.00 p.m. at Eliot Bank Primary School.

Chair Mr Brown

Date 27 Feb 2020