

GOVERNING BODY OF HARBINGER PRIMARY SCHOOL

MINUTES OF FINANCE & GENERAL PURPOSES COMMITTEE MEETING

Date of Meeting	4th November 2021
Venue	Virtually Via Zoom
Chair	Kiran Rahman
Clerk & Minutes	Suzette Nicol
Time	5:00 p.m.

MEMBERSHIP:

Governor	Category
Martin Young*	Co-opted
Rebecca Abrahams (Executive Head)*	Staff (Head)
Nimesha Nagahawatte (Head of School)*	Staff (Head)
Kiran Rahman (Chair)*	Co-opted
Srividya Srivathsan*	Co-opted

Also In Attendance	Role/Title
Mai-Anh Dien (School Business Manager (SBM))	Observer
Ben Jeffery, Senior PFI Client Officer (Item 1 only)	Observer

***Denotes attendance**

PART 1 – OPEN SECTION

NO.	ITEM
1.	Presentation on PFI contract by Ben Jeffery, Senior PFI Client Officer
	<p>Ben Jeffery, Senior PFI Client Officer, was welcomed to the meeting. He was asked to give a brief summary of the Authority Change Request (ACR) change notification process.</p> <p>He explained that ACRs were related to any works that the school wished to procure either by their own contractor or for G4S to deliver and manage on their behalf. Under the PFI agreement, the school's lease had been surrendered for a 25 year period in terms of infrastructure to a group known as the Tower Hamlets Schools Limited (THSL). Any work undertaken would need to go through THSL and would need to be approved and signed off by them. In some instances, larger capital projects such as alterations or anything that would alter the way the contract was constructed, would on occasions require lenders' consent.</p>

With regard to ACRs and lender consent, when a school came up with a piece of work it would like to be undertaken (this could range from designing a wing for additional students to installing a socket), an application would be made to Tower Hamlets Local Authority. The current contact in LBTH was now Shamima Hussain. In the first instance, all change requests for any ad hoc work should be submitted to Shamima Hussain or Ben Jeffery (in Shamima's absence). Either of them would then need to put together a package/formal document that included the school's scope of works to sent to Tower Hamlets Schools Limited (THSL) for review. They would then review and approve the project. For small works, G4S could choose to price locally or deliver the work themselves. If the school was planning to build a new accommodation block, that would be subject to building control and would require tenders to prove that they were providing value for money. The Facilities Management Company and THSL would then be required to provide a minimum of 3 quotes to demonstrate that they were going for best value for money.

Once the cost and estimates had been received, they would be presented to the school, highlighting the capital cost as well the cost of ongoing maintenance and life cycle costs. G4S would provide a price for maintaining them going forward. Once all costs have been agreed by the school (the school was entitled to negotiate the costs), the document would be sent to Ben Jeffery who would do due diligence before signing off the proposal. THSL and G4S would then receive their instructions to proceed and the school would be contacted to negotiate access and a time for the work to be done. After the work was completed, THSL would issue a practical completion certificate. Upon receipt of the necessary completion certificate, Ben Jeffery would pay THSL and the LA will invoice the school. The school's maintenance costs would be adjusted as part of the local charges.

Q&A: What is THSL's role?

They are the asset management company and for the duration of the contract (25 years) they own the lease and full rights to the buildings.

Q&A: What happens in emergencies when you have a leaking roof following flash floods for example?

Emergency situations would fall under an ACR request. We would expect one of two things to happen. Either the Premises Manager reports that there is a leak or the school. The information will be sent to G4S and the facilities management company. It will be allocated a priority. A leaking roof will be allocated a priority 1 which means that they must make that area safe within two hours so that teaching and learning can continue. They must rectify the fault within 3 days. That would not need to follow an ACR or life cycle process. It forms part of G4S' contractual obligations to undertake reactive repairs and they would be expected to carry out that work in a timely manner. There would be no process to follow unless it was contributing to the dilapidation of the roof entirely in which case they would engage in life cycle conversations.

Q&A: Did you manage to find out about what should happen to payments for the use of the building?

I am still waiting for an update on THSL with regard to the alternative scenario. I will come back to you in the first instance with regard to the first aid. If the event by the community group is happening during normal school hours and there was no additional service provision that was required then we would be happy for the event to go ahead. If they were to come in during school hours and leave after they have finished with no additional cleaning hours for the cleaners, then there would not be an issue or any procedure to follow. The school's insurance policy will cover the community group during the event. It however becomes complex when the events fall out of hours. If for example a club meets after the normal school hours, because the cleaners would have already cleaned the school after the school day and the area will become dirty after the meeting, G4S would need to cover the additional cleaning services that will need to take place. They will need to ensure that whatever area of the school is used will be ready for use the next day. For out of hours community use, we would write to G4S informing them that this is what we want to do and they reserve the right to provide an estimate for hire cost for that area. They work out the square meterage, how the cleaners will be needed etc. There is a cost related to using the area out of hours. I am waiting for THSL to say whether the school has the right to apply additional fees and profit from the hire cost.

Q&A: If the hire takes place within school hours and does not request input from G4S, who benefits from the hire costs?

I would imagine that it is something you would benefit from and you would expect the user group to pay you directly.

Q&A: In the past I had been told we would need to put down G4S because we used to hire out the hall for polling and we had been told that G4S would be the benefactor of the £200 that they pay us. We had been told it was G4S who should benefit and that was why we did not hire out our premises. Could you clarify this?

If you hire out the premises and do not reap any benefits you could also be liable for any authority related damage. In order to mitigate that circumstance then do not let any community groups in. I had a similar discussion with another primary school in the Borough. I will need to get some definitive answers on this. If the polling does not take place during an Inset day, it would be a polling day out of hours event.

It was noted that the polling day involved normal working hours but could also go on until 9.00 p.m. which was out of hours. Governors asked Ben Jeffery to give the school an idea of what would happen during the out of hours service. He said that it would be a case of looking at the out of hours cleaning time and the extended hours of the Premises Manager. He undertook to obtain further information on this and inform the School Business Manager by the end of the following day.

Action: Ben Jeffery/School Business Manager

Q&A: Do you have any experience of dealing with redundant school buildings? I am currently discussing this with another school in the Borough.

	<p>Q&A: Are you the person we need to liaise with regarding the school keeper's house? Yes I am. Let me know what you want to achieve and this is something I could take to THSL for review as the school keeper's house sits within the demise of the PFI contract. Depending on what is to be done, there may be legal fees involved in surrendering the lease.</p> <p>Governors thanked Ben Jeffery for attending the meeting. He invited Governors to put any further questions to him by email and left the meeting at this point.</p>
2.	<p>Welcome, Apologies For Absence and Declaration of Pecuniary Interests</p> <p>The Chair welcomed attendees to the meeting.</p> <p>There were no apologies for absence.</p> <p>There were no declarations of pecuniary interests.</p>
3.	<p>Election Of Committee Chair</p> <ul style="list-style-type: none"> To elect a Committee Chair for the 2021/22 academic year <p>Nominations were invited for the position of Committee Chair. Martin Young nominated Kiran Rahman. The nomination was seconded by Vidya Srivathsan. There being no other nomination, Kiran Rahman was elected as Committee Chair for the 2021/22 academic year.</p> <p>RESOLVED: To appoint Kiran Rahman as Committee Chair for the 2021/22 academic year.</p>
4.	<p>Committee Terms of Reference</p> <ul style="list-style-type: none"> To review and agree the committee's Terms of Reference <p>Committee members reviewed the terms of reference document which had been circulated prior to the meeting. There were no changes to the terms of reference.</p> <p>RESOLVED: To approve the committee's terms of reference.</p>
5.	<p>Minutes Of The Committee Meeting Held On 29th April 2021 And Matters Arising</p> <p>Governors reviewed and RESOLVED to approve the minutes of the Finance and General Purposes Committee meeting of 29th April 2021.</p> <p><u>Matters Arising:</u> None</p>
6.	<p>Finance</p> <p>Mai-Anh Dien, School Business Manager, presented the budget monitoring report from notes that she had circulated prior to the meeting. She highlighted the major issues regarding the budget.</p>

Budget Monitoring Report

The School Business Manager said that in terms of the overall balance, although the Projected Year End (overall balance) figure showed that the school would have a deficit budget of £62,745.50, this was mainly due to errors in the staffing budgets. It was hoped that once they had been corrected the school would have a balanced (surplus) budget.

She went through the budget highlighting areas where there were variations and presented a summary of CFR codes. She also took questions from Governors during her presentation.

Q&A: Can you let us know where the areas are that need to be corrected and why you are so confident that once the error in the staffing budget has been corrected the school will have a balanced surplus budget?

The main overspend is in the staff leadership budget. At the moment it says that we are about 100% overspent. This is because the Finance Officer had placed our salaries in RM to include the other teaching staff and not just the leadership staff. The entries have either been duplicated or placed in the wrong budget code. This is why we are doubled up in terms of leadership salaries. By my calculations in period 6, we should be at 50% of what our spending should be. I discovered the error last night and spoke to our Finance Officer who said that it was a posting error which will be rectified.

Q&A: In terms of the variances, are we talking about the big one against E01-Teaching Staff (-85)? Which line should those pieces of money go to?

That is the one. She has put me on there and I need to go into the admin staff budget. The others need to go into the staff teaching budget as well. We need to correct those.

Q&A: At the the moment this is showing a variance of £120k half-way through the year. Is that right?

The £120k is the year end projection. The accumulated variance from E01 to E05 works out roughly to £120k.

Q&A: Did you compare it to your payroll report to find out whether this was the case and did you confirm that the variance was indeed a posting and not an actual spend error?

She showed me the different staff members that had been posted to the leadership code in error. There were 3 of us who should not be there.

A Governor advised the School Business Manager to check the payroll six months run and the RM finance six months run to identify where the variance was. Vidya said that she had experience of using RM finance in her school and would be happy to work with the School Business Manager on this. Vidya and Mai-Anh to find a mutually convenient time to meet.

Action: Vidya Srivathsan & Mai-Anh Dien

The SBM explained that the school had had some problems with the SBS service and she was currently working with the third consultant.

Q&A: With regard to the overspend in E26, it is already overspent up to 106.5% according to your notes, due to high absences which are pregnancy and special leave related. Is it a true reflection of the absences or have you not done any adjustments there because you do have statutory sick pay to offset some of these expenses?

The main expense here is teaching agency which is the top one in E26. When we did the budget we felt that we would not need as much cover for Teaching Assistants and Teachers because from September we would have HLTAs to cover. However this has not worked out as we would hope and we would need to review this.

A Governor advised that this was a line that would need to be closely monitored as we were entering the flu season when the level of absence would be high.

The SBM pointed out that she had gone through the budget before the half term break with the Executive Headteacher and the Deputy Headteacher. A decision was then taken to vire some money from the school journey budget into the teaching budget as there were no plans for the children to undertake trips this year as a result of the pandemic. It had also been decided that funds would be taken from other budgets to be vired into the teaching budget. She recommended around £5k be transferred from the year 5/6 budgets into the agency budget to cater for the spend and asked the committee to approve the virements.

A Governor pointed out that in principle, taking funds from the trips line into a supply line in the budget would mean that the school was overshooting the 80% staffing cost as well as taking from the students' experience cost. This would render the students' experience allocation poorer as a result and this was not ideal. She asked the school to be mindful of that and not rely on the saving line to supplement the staffing line. This was because all staffing and agency staff costs put together should always be below 80% of school costs and the school had to be sustainable year on year.

Following a brief discussion, it was agreed that Vidya Srivathsan and Mai-Anh Dien should first work together to identify the payroll errors and see where the school was in terms of budget lines E01 to E05 to see whether those lines could be adjusted to supply rather than agree to vire funds from the trips budget. The Executive Head agreed with this. She said that when the supply budget was set, the allocation was quite minimal and things had changed since then with Covid had becoming an ongoing issue. Governors **RESOLVED** to defer the virements until an accurate picture of staffing was available.

Martin Young commended Mai-Anh for setting out the school's financial position with candor and asked the school to let Governors know whether there was anything they could do. Vidya undertook to send Mai-Anh a set of spreadsheets to help her track expenses.

Action: Vidya Srivathsan

It was agreed that once the identification had been done, Mai-Anh Dien would circulate a note to Governors explaining the changes for their information.

	<p>Action: Mai-Anh Dien</p> <p>Governors also advised that management should take action on the staff absence level and monitor it closely.</p> <ul style="list-style-type: none"> • <u>Asset Management (IT and Furniture) Report</u> The School Business Manager reported that Clever ICT carried out a thorough audit of the school's IT assets. The list of assets had been circulated prior to the meeting. She said that she had only just received the recycled report and had not yet had time to send it out to Governors. Clever ICT had conducted a thorough audit. The contact at Clever ICT confirmed that all the IT equipment no longer in use had been recycled. The school now had 2 x double Chromebook Chargers and 2 x single Chromebook chargers. Each floor had enough storage for 30 Chrome books. This should ensure better monitoring and management of the equipment as this should minimise movement across floors. Labelling of the Chromebooks belonging to each floor would be introduced as well as a sign in/out system for audit purposes. The DfE had offered schools more IT equipment, and Harbinger had managed to secure an additional 54 devices. The school was awaiting confirmation and allocation of these. • <u>Plans for deficit reduction</u> To be discussed after the school has provided an accurate picture of staffing costs.
7.	Staffing Update
	This item is minuted as confidential part 2.
8.	School Policies And Procedures
	<p>The following policies which had been circulated for prior reading were presented for approval:</p> <ul style="list-style-type: none"> • Safeguarding – Safer Recruitment Policy – One amendment made to the policy. St Luke's has to be taken out of the policy. • Health & Safety Policy • Special Leave Policy & Procedure • Appraisal Supporting Document • HR Induction Policy • HR Whistleblowing Policy – Staff • HR – Support Staff Appraisal Policy & Procedure • HR - Teacher Appraisal Policy & Procedure • Pay Policy - The Pay Policy was a LA policy which been agreed by unions. <p>RESOLVED: To approve the above policies subject to any amendments made and to recommend them to the governing body for ratification.</p>
9.	School Premises Update

	<ul style="list-style-type: none"> • <u>Building Update</u> <p>The School Business Manager informed Governors that she and Nimesha Nagahawatte had met with the new RFM Manager at G4S. They had gone through a lot of health and safety issues and the work that was outstanding. The big areas were the portacabin and the pond area. She presented the following building update:</p> <p><u>Portacabin</u> Governors were informed that the portacabin was removed at the start of the summer holidays. The space had a makeover in September by a company called the BCG group. The project was fully funded by them. They hired an artist to paint the walls with murals and volunteers to put in sleepers and plants. However, the ground was uneven and deemed unsafe for use. The school was waiting for a quote from G4S for the cost of works as part of an ACR submitted in August.</p> <p><u>Pond area</u> There had been no development in this area since last year. The school was still waiting on Life Cycle to provide the quotes on surface cover. The school was expecting that G4S would cover the cost of the work.</p> <ul style="list-style-type: none"> • <u>Health and Safety Update</u> <p><u>H & S Audit</u> Governors were informed that the school had its annual Health and Safety Audit with the Local Authority (LA) in September. They were currently waiting for the report. The Auditor mentioned that he was impressed with the upkeep of the school and did not envisage any high-risk action points.</p> <p><u>Accident Incident Report (AIR) Forms</u> It was reported that at the end of the summer term a child in Y5 had an accident in the football pitch. The incident was logged via the TH Accident and Incident Report site.</p> <p><u>Fire Drills</u> Mai-Anh informed the committee that the next fire drill was booked for November. This would be the first fire drill since the start of Covid. However, in line with Covid restrictions the school had carried out evacuations for separate bubbles. An alarm had been set off by a pupil during home time. As a result of this the school had to amend its Fire Evacuation Policy.</p> <p>Governors thanked Mai-Anh for the update.</p>
10.	Agenda Items For The Next Meeting
	To be agreed nearer the time.
11.	Any Urgent Business
	None

12.	Date And Time Of Next Meeting
	Thursday 13 th January 2022 at 5:00 p.m.

There being no further non-confidential items to discuss, this part of the meeting ended. The School Business Manager left the meeting so that a confidential item could be discussed.

Chair's signature: _____ **Date:** _____