

Budget Forum 14th September 2022

Proposal to Remove Breakfast Club Pooled Budget Arrangement from April 2023

Background

When breakfast club budgets were delegated to schools in 2017, a pooled breakfast club fund was established to ensure that the delegation of the budget would not have a negative effect on school balances.

The pooled budget system currently in operation is based on the following

- All schools offering a free breakfast club provision receive a breakfast club allocation within the schools funding formula based on pupil numbers.
- Schools are charged this budget allocation at the beginning of the financial year. This funding accumulates within the pooled breakfast club fund.
- Schools should employ breakfast club staff based on the recommended ratio's provided by the Big Fresh Catering Company.
- Breakfast club staff are charged to the pooled breakfast club fund.
- The costs of food, equipment and provisions are charged directly to the pooled fund.
- The Big Fresh Catering Company receives an amount of £50,541 (2022/23 prices) to monitor and administer the breakfast club provision covering:
 - Food Safety
 - Food Hygiene
 - Training
 - Quality Assurance Monitoring
 - Menu advice and special dietary/allergen menus
 - Procurement and administration of equipment
 - Price checking and recording of all invoices

Breakfast Club Budget 2022/23

The Breakfast Club budget for 2022/23 is £668,095 which is delegated to 41 schools within the delegated funding formula. (39 primary schools, 1 nursery school, 1 age 3-19 school).

The 41 schools in receipt of a breakfast club budget receive a proportion of the £668,095 based on the pupil numbers at the school. The funds delegated to 40 of these 41 schools are paid into the pooled breakfast club fund. One school does not pay into the pooled fund and instead funds its own breakfast club provision from that budget delegated.

The amount of the pooled budget for 2022/23 is £639,787, with one school receiving £28,308 in the formula that is not paid into the pooled fund.

There are 6 schools and (5 primary and 1 nursery) that do not receive any delegated breakfast club funds as these schools do not offer a free breakfast club for pupils.

Breakfast Club Budget 2021/22

The Breakfast Club budget for the 2021/22 financial year was £647,061 which was delegated to 40 primary schools. 39 of those 40 schools paid into the pooled breakfast club budget amounting to a pooled budget of £619,212. One school retained the £27,849 delegated to fund its own breakfast club provision.

The 2021/22 breakfast club actual expenditure was £597,349 against a pooled budget of £619,212.

The expenditure of £597,349 was against the following categories

- | | |
|----------------------------------|-----------------|
| • Staff | £487,607 |
| • Food | £54,033 |
| • BFCC monitoring contract 21/22 | £49,067 |
| • Equipment renewals and repairs | £6,642 |
| • TOTAL | £597,349 |

Appendix A identifies a breakdown of expenditure by school.

Issues with Current system

There are a number of issues with the current process for breakfast club funding which are identified below;

- Not all schools are staffed equally as per the recommended ratios from the Big Fresh Catering Company
- Schools do not have flexibility to increase staffing where required from the pooled budget.
- The system for processing food invoices is time consuming and could be streamlined if schools paid their own food invoices. The current system involves schools, BFCC and the Learning and Skills Finance team as described below
 - Step 1 - Schools order food supplies from providers
 - Step 2 - Schools forward supplier invoices to Big Fresh Catering Co.
 - Step 3 - Big Fresh Catering Co. consolidate invoices on to one larger invoice and send consolidated invoice to the Learning and Skills Finance Team
 - Step 4 – Learning and Skills Finance team pay supplier invoices from pooled funds
- There is an additional monitoring requirement to monitor staff at each school against the pooled budget considering recommended ratios and daily take-up of breakfast club provision. Previously, this task was undertaken by the Vale of Glamorgan catering service, but the monitoring of staffing and Breakfast Club budgets is not within the remit of the Big Fresh Catering Company.
- There is no formalised agreement on how to meet potential breakfast club overspends or likewise how to treat breakfast club underspends.

- The funding formula for allocation of breakfast club funds requires a review now that one school is operating outside of the pooled fund. The delegation methodology was not important when all schools were buying into the pooled fund as all funding was transferred to schools and then paid back into the pooled budget (an in and out transaction for all). Now that one school is operating outside of the pooled arrangement, a new formula considering fixed costs should be considered.

Proposal

To reduce administration, ensure fair funding for all schools, ensure schools have full flexibility with regards to staffing and ensure that schools are responsible for the delegated budget of the breakfast club; it is proposed that the pooled budget is removed from April 2023 and that the individual breakfast club costs are met from funds delegated to schools for this purpose. This recommended proposal would involve the following

- All schools offering a free breakfast club provision would receive a breakfast club allocation within the schools funding formula based on a revised formula to be approved by the budget forum which should take into account both a lump sum allocation and pupil numbers.
- Schools will not pay amounts delegated into a pooled fund, but instead will retain amounts delegated within the school's individual budgets.
- Schools will continue to employ breakfast club staff and will be charged directly for breakfast club staff payroll costs from school budgets.
- Schools can choose at what level to staff breakfast clubs, meeting the cost from the schools budget, likewise any underspend against this budget heading will be retained by schools.
- Schools will pay for the cost of food and equipment directly from the schools individual budget and will process invoices in the usual manner. There will be no need for schools to send invoices for food to the Big Fresh Catering Company.
- £43,067 from the schools delegated breakfast club budget will be held centrally so that the council can continue to pay the Big Fresh Catering Company for the monitoring and administration role with regards to
 - Food Safety
 - Food Hygiene
 - Training
 - Quality Assurance Monitoring
 - Menu Advice and special Dietary/allergen menus
 - Administering procurement of equipment

Note – this contribution has been reduced by £6,000 as the Big Fresh Catering Company would no longer be administering invoices for food.

Options for Proposed Formula

The Budget Forum must be consulted with any proposed changes to the schools funding formula. The following three options are offered as a suggestion with regards to the allocation of breakfast club funds from April 2023. It is requested that the budget forum chose a preferred option.

	Lump Sum (per school)	Per pupil Allocation
Option 1 (preferred option)	£8,000	£30.11
Option 2	£4,000	£44.85
Option 3	£10,000	£22.73
Current formula	£0	£61.54

Please note – the per pupil allocation is based on adj. pupil numbers from the schools funding formula.

The allocation per school based on the three options is shown at Appendix B.

Option 1 appears to show the least level of negative variance against actual expenditure, although it is noted that with any formula there will always be variations when compared to actual costs. Furthermore, the actual costs will depend on breakfast club staff employed at each school, this is not currently on a fair footing as not all schools are staffed within the recommended breakfast club ratios.

The mainstream ALN funding distributed to schools based on Individual Development Plans, School Action plus and Statements should be used towards ALN costs in Breakfast Club provision.

Appendix A - Breakfast Club expenditure 2021/22 by School

	Staff	Equipment	Food	Mgmt. BFCC	GRAND TOTAL
Centrally administered costs	£2,915	£1,079	£54,033	£49,067	£107,095
All Saints	£7,929	£203			£8,132
Barry Island	£12,862	£169			£13,030
Cogan Nursery	£7,127				£7,127
Cogan Primary	£8,332	£71			£8,403
Colcot	£20,325	£71			£20,396
Dinas Powys	£19,874	£48			£19,922
Fairfield	£13,194				£13,194
Gladstone	£13,726				£13,726
Gwenfo	£8,686				£8,686
High Street	£13,666	£54			£13,720
Holton	£6,318				£6,318
Jenner Park	£20,032	£78			£20,110
Llancarfan	£5,607				£5,607
Llandough	£5,056	£2,498			£7,554
Llanfair	£8,050	£273			£8,323
Llangan	£4,062	£147			£4,209
Llansannor	£11,225	£96			£11,321
Oakfield	£9,640	£136			£9,776
Palmerston	£13,266	£99			£13,365
Peterston	£11,374				£11,374
Rhws	£17,620				£17,620
Romilly	£17,030	£383			£17,413
St Athan	£20,850	£213			£21,064
St David's	£11,890				£11,890
St Helen's	£22,673	£582			£23,254
St Illtyds	£8,482	£143			£8,625
St Josephs	£17,824	£180			£18,004
St Nicholas	£10,178				£10,178
Sully	£9,970				£9,970
Victoria	£12,333				£12,333
Wick	£8,254				£8,254
Y Bont Faen	£12,548				£12,548
Y Ddraig	£18,849				£18,849
Ysgol Bro Morgannwg	£14,507	£48			£14,555
Ysgol Dewi Sant	£16,788	£17			£16,806
Ysgol Gwaun Y Nant	£10,757	£54			£10,811
Ysgol Pen Y Garth	£8,399				£8,399
Ysgol St Baruc	£11,823				£11,823
Ysgol St Curig	£13,566				£13,566
TOTAL	£487,607	£6,643	£54,033	£49,067	£597,349

Appendix B – Breakfast Club Formula Options for consideration

School	Adj. Pupil No.	Free Break. Club	Formula Option 1	Formula Option 2	Formula Option 3
Albert	401.5	No	£0	£0	£0
All Saints	230.5	Yes	£14,940	£14,338	£15,239
Barry Island	228	Yes	£14,865	£14,226	£15,182
Cadoxton	460	Yes	£21,851	£24,631	£20,456
Cogan (plus nursery)	237	Yes	£15,136	£14,629	£15,387
Colcot	309	Yes	£17,304	£17,859	£17,024
Dinas Powys	453	Yes	£21,640	£24,317	£20,297
Evenlode (plus Bute)	469.5	No	£0	£0	£0
Fairfield	282	Yes	£16,491	£16,648	£16,410
Gladstone	415.5	Yes	£20,511	£22,635	£19,444
Gwenfo	231.5	Yes	£14,970	£14,383	£15,262
High Street	221.25	Yes	£14,662	£13,923	£15,029
Holton Road	389.5	Yes	£19,728	£21,469	£18,853
Jenner Park	190.25	Yes	£13,728	£12,533	£14,324
Llandough	206.5	Yes	£14,218	£13,262	£14,694
Llanfair	143	Yes	£12,306	£10,414	£13,250
Llangan	111	Yes	£11,342	£8,978	£12,523
Llansannor	211	Yes	£14,353	£13,463	£14,796
Oakfield	202.5	Yes	£14,097	£13,082	£14,603
Palmerston	233.75	Yes	£15,038	£14,484	£15,313
Pendoylan	208	No	£0	£0	£0
Peterston	167.5	Yes	£13,043	£11,512	£13,807
Rhws	395.75	Yes	£19,916	£21,749	£18,995
Romilly	687	Yes	£28,686	£34,812	£25,616
South Point	97.75	Yes	£10,943	£8,384	£12,222
St Andrew's	221.5	No	£0	£0	£0
St Athan	216	Yes	£14,504	£13,688	£14,910
St Brides	228	No	£0	£0	£0
St David's	203.5	Yes	£14,127	£13,127	£14,626
St Helens	290	Yes	£16,732	£17,007	£16,592
St Illtyds	341.25	Yes	£18,275	£19,305	£17,757
St Josephs	224.5	Yes	£14,760	£14,069	£15,103
St Nicholas	121	Yes	£11,643	£9,427	£12,750
Sully	385	Yes	£19,592	£21,267	£18,751
Victoria	459.5	Yes	£21,836	£24,609	£20,444
Wick	144	Yes	£12,336	£10,458	£13,273
Y Bont Faen	249	Yes	£15,497	£15,168	£15,660
Y Ddraig	279.5	Yes	£16,416	£16,536	£16,353
Ysgol Bro Morgannwg	231.25	Yes	£14,963	£14,271	£15,205
Ysgol Dewi Sant	223.5	Yes	£14,730	£14,024	£15,080
Ysgol Gwaun Y Nant	231.5	Yes	£14,970	£14,383	£15,262
Ysgol Iolo	189	Yes	£13,691	£12,477	£14,296

Ysgol Pen Y Garth	301.5	Yes	£17,078	£17,522	£16,853
Ysgol Sant baruc	239.5	Yes	£15,211	£14,742	£15,444
Ysgol St Curig	423.5	Yes	£20,752	£22,994	£19,626
TOTAL			£646,882	£646,802	£646,711
BFCC mgmt.			£43,067	£43,067	£43,067
TOTAL BUDGET			£689,949	£689,869	£689,778
increase in budget			3.3%	3.3%	3.2%