

DIRECTORATE OF LEARNING AND SKILLS

Schools Budget Forum

Wednesday 20 September 2023

MEMBERS IN ATTENDANCE:

Trevor Baker, David Blackwell, Chris Britten, Tim Exell, Mari Gibbs, Cllr. Emma Goodjohn, Rhodri Jones, Rhys Angell Jones, Martin Price, Terry Vaughan-Taylor, Ruth Foster, Cllr R Birch, Paula Vaughan, Norman Craggs,

Also in attendance: Rachel Cox, David Davies, Liz Jones, Lisa Lewis,

Item	Issue	Discussion	Action
1.	Welcome & apologies	No apologies were received.	
2.	Minutes of previous meeting Matters arising	Agreed as accurate. No matters were arising other than as covered on the agenda. All actions were recorded as completed. The Chair advised that Nicola Monckton has been seconded to Welsh government for six months. It is an excellent opportunity to utilise Nicolas expertise however she will be a huge loss to the local authority and also to this budget forum.	
3.	Budget Forum membership and constitution	The Budget Forum constitution and membership was shared with the forum for information. The Chair advised that there is a Vacancy for the Barry Cluster due to the retirement of Vince Browne. A representative has been requested and an update on any nominations will be provided at the next meeting.	DB
4.	School balance projections over the next three years	TB referred to the spreadsheet attached to the agenda which indicated the current position. The deficits vary considerably and the document gives a good perspective in terms of the range of challenges that we have. There	

		<p>are 21 schools who were projecting a deficit and so far we have 18 which have submitted details as to why they're currently unable to make that recovery over three to five year period. There are ongoing discussions with some of those schools going forward. We have contacted other authorities and this position is far from unique to the Vale. Cardiff are in a similar position and there are a number of other local authorities who have schools with deficits which are deemed unrecoverable. They're being dealt with in a number of ways.</p> <p>The legislation states that schools have to have a balanced budget in the same way that local authorities have to have a balanced budget, how that relates to the reality of the situation isn't covered. If schools are unable to balance the budget within the three to five year period, then those budgets need to be taken back under the control of the local authority. We would only do this if there was a case of financial mismanagement. Given the current circumstances, this wouldn't be appropriate. These aren't self-imposed issues due to financial mismanagement. Taking the budgets off schools under those circumstances is only going to make things worse.</p> <p>DB raised that there is one school in particular has a significant surplus, which seems completely and utterly out of kilter with everyone else.</p> <p>TB advised that this is due to their carry forward. Officers are currently delving into that a bit deeper. Schools who are deemed to have excess balances are directed to spend it, and if the school refuses to spend it, then we can claw it back. Firstly, we need to identify why that carry forward is so high.</p>	
5.	Directorate budget cost pressures 2024/25	TB outlined the cost pressures presented by L & S for transparency purposes. The Council is facing a significant funding gap at the moment, in the region of £24 million. This time last year it was somewhere in the region of £34 million. It was brought down to £6m by the end of the process. It's unclear at this stage what reductions can be made this year however this highlights the context that we're going to be operating in in the forthcoming financial year.	
6.	Budgeted pay award increases 2024/25	LL advised that no final pay settlements had been reached and central finance have confirmed that we will not be increasing 23/24 revised budgets for the 2023 pay awards,	

		<p>therefore the budgets (schools and non-schools) will continue to be set at the 23/24 OR budget pay scales. As a reminder – the pay awards in the OR budget are Single Status grades 1-11 - 6% from April 2023 Teachers - 6.5% from April 2023 to Aug 2023, and an additional 5% from September 2023. This was obviously of concern and was reflected in cost pressures outlined previously under agenda item 5.</p>	
7.	Grants update	<p>LL circulated a document regarding grant funding verified for the 2023/24 financial year.</p> <p>Schools can access information on 2022/23 grants funded by accessing the following link on the Central South Consortium website. (This information is not yet available for 2023/24 grants but 23/24 information will be published using the same link)</p> <p>https://www.cscjes-cronfa.co.uk/repository/resource/99d2c7b9-4126-4ffe-b318-164dcc696898/en</p> <p>The forum was advised that all grant allocations were now reflected in school budgets other than RCSIG Grant (£5,430,200) which will be distributed once CSC receive the verified PLASC data.</p>	
8.	WLGA Welsh Government Education Funding Challenge	<p>MP advised of a petition to the Senate that has been presented to encourage debate about school funding in Wales. MP presented the Senate with a paper outlining what it's like on "the chalk face" for schools when there isn't enough funding. The petition reached 6700 people, of which a third came from the Vale. This petition will be debated live.</p> <p>MP also updated the forum regarding the potential legal challenge concerning the funding formula. There is a meeting today with Vale chairs of governors to discuss what we should do. Advice from a solicitor and barrister has been received and a letter sent to the Minister on our behalf with various points we wanted to raise. Essentially, the way in which the funding formula works for allocating money to education is fundamentally entwined with the local government funding formula for all the spending for local government in Wales. It's a very complicated formula</p>	

		<p>based on a whole series of multiple linear regression, statistical formulae and it basically still goes back to out of date data.</p> <p>The review of funding up to now has only been concentrated on how that is distributed at that level and how they might change the regulations, not looking at the fundamental formula. The difficult bit from the Vale governor's point of view is that it's a big task to challenge the whole basis on which local authority funding is allocated in Wales, and that's likely to be an expensive process. There are ways in which it could be done to make it less expensive, we could for example select a child or group of children who are disadvantaged by the formula and initiate a judicial review and then get legal aid for that or we could go to a judge and ask for a cost cap. Either of those involves a substantial risk and cost. MP will get a view from the governors at tonight's meeting as to whether there's an appetite for doing that. There's also the moral aspect to it, as if there is insufficient money in schools, should we be spending some of that money on a legal case and paying lawyers?</p> <p>TB advised that MP took advice as depending who lodged the JR, this has an impact on what these associated costs might be. TB also advised that it would be very useful for heads and some governors to present to Scrutiny on some of these issues and to contribute to discussions to make sure that there's a robust debate around and highlight the challenges.</p> <p>Cllr Goodjohn agreed with TB and asked we consider bringing children to scrutiny and putting a personal case to see how the children are affected by it.</p>	
9.	Mainstream Additional Needs Funding review update	<p>EJ advised that meetings of the working group have commenced and that she will bring a paper back to the forum once we've decided on which of the options considered the fairest. EJ also outlined the different challenges for ALN post covid and differentiated between those identified as part of the ALN act and those which occurred post covid which are unrelated to the act but have a significant impact on the way in which ALN is managed, particularly related to social, emotional and mental health needs.</p>	EJ

10	Special school funding formula review update	A series of meetings have also been scheduled for this review and an update will be brought to future meetings	EJ
11	AOB	<p>NC asked if there any financial benefit in opting out of the consortium? DB advised that WG are looking at the middle tier of leadership across Wales currently.</p> <p>R Jones commented that heads are resigned to the fact that the position is dire and as we have always been transparent there is very little left for us to challenge. DB agreed and urged other schools to highlight practical examples of impact and case studies to share with the leader at our next meeting.</p> <p>PV asked for clarification on universal school meals. In particular what happens if pupils don't take up the offer. Trevor advised WG only fund meals taken up and there is a difference in cost between the amount refunded and the cost of the meal. WG fund £2.90 a meal but they cost us £3.22. This deficit is picked up currently via Big Fresh</p> <p><u>Next meeting dates</u> – All occur on Wednesday mornings, 9.30am on Microsoft teams.</p> <ul style="list-style-type: none"> • September 20th 2023 • November 29th 2023 (invitation to the leader, the Head of Finance and the Chief Executive) • March 6th 2024 	