

SCHOOLS BUDGET FORUM WORKING GROUP

Tuesday, 27th February 2024

(Civic Centre)

NOTES

PRESENT: Stuart James (Afon Taf High) - Chair
 Rhianon Stephens-Davies (Greenfield Special)
 Simone Roden (Ynysowen Community Primary)

IN ATTENDANCE: Joanna Lewis (LMS Manager)
 Gary Winston (Clerk to the Forum)
 Louise Ballinger (Education Accountant)
 Paul Davies (Creditors)
 David Jones (Payroll)

| No | Discussion/Action |
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| 1. | <p><u>Apologies</u> Apologies for absence were received from Sarah Hopkins, Owen Morgan, David Anstee, Alwen Bowen and Anthony Lewis.</p> <p>The Chair noted that the meeting was not quorate to make decisions, however it was possible to continue discussions and that final decision would be made by the School Budget Forum.</p> |
| 2. | <p><u>IR35</u></p> <p>SJ: I understand that the SLAs have been updated following our recent discussions so can we look at the changes relating to IR35.</p> <p>PD: The Creditors and Payroll SLAs have been updated and a guidance sheet prepared. A list of Council approved recruitment agencies is provided with the guidance. They are approved providers but there is still a need for checks to be made.</p> <p>SR: At the start of the guidance, it says that you don't need to check if you are engaging with a Council approved agency?</p> <p>PD: In my discussions with AL, he still feels that the checks need to be done. Some of the agencies like Sports Stars are not on there and need to be checked.</p> <p>DJ: The agencies listed are pre-approved by Welsh Government so that should be okay.</p> <p>PD: The revised SLA has a highlighted section which details how we will support schools with IR35.</p> <p>SR: Point 9.5 mentions a Statement Determination Statement (SDS) needs to be completed, is there a standard form?</p> |

| No | Discussion/Action |
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| | <p>PD: No, we have adapted a Bridgend form for our use.</p> |
| | <p>SR: So, what are schools using now?</p> |
| | <p>DJ: I don't know, but HMRC guidance says it is required even outside the scope.</p> |
| | <p>PD: We will complete the scope.</p> |
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| | <p>SJ: I think we need another meeting or perhaps we can email these out for others to have a look.</p> |
| | <p>JL: We could send the information out.</p> |
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| | <p>SJ: What does point 9.7 mean? It says schools are responsible.</p> |
| | <p>PD: No, they will provide information for Creditors to complete. The service is to support schools and offer guidance.</p> |
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| | <p>SR: What is the situation if another school has done a check for someone, would another school need to do another check?</p> |
| | <p>DJ: Some LAs have a database but it is a grey area with HMRC. Best practice is to check because you can't guarantee that all the terms of the contract will be exactly the same. If someone is used regularly, for the same reason, you would not expect repeated checks.</p> |
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| | <p>SR: Do we need to check if they are on the approved list from the LA?</p> |
| | <p>DJ: The list is provided by Welsh Government not the LA.</p> |
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| | <p>SJ: Could we have a further lists of people who are used regularly by schools?</p> |
| | <p>PD: We can't do checks in advance unfortunately.</p> |
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| | <p>SR: If they have already been set up on Agresso they must have been approved, so can we use those without checks?</p> |
| | <p>JL: If a consultant is working around schools and schools can see that they are set up, can we have a process to cover that?</p> |
| | <p>PD: We may be able to do something on Agresso, but I would need to speak to Matthew Cresswell to see if we could build up a database.</p> |
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| | <p>SR: That's what we want, if we can see if another school has carried out a check that would be fine.</p> |
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| | <p>SJ: It would solve a lot of problems.</p> |
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| | <p>DJ: Blanket checks are a grey area and HMRC best practice suggests that a check is needed each time.</p> |
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| | <p>SJ: It may be best practice, but can we see if we can have a system that meets our needs? How are other LAs dealing with it?</p> |
| | <p>DJ: If we are making blanket decisions it could be flagged up as an issue. If we can determine that there are no changes in circumstances and be sure of that it would be fine.</p> |
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| | <p>SR: If we had a system that could indicate that the assessment had been completed that</p> |

| No | Discussion/Action |
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| | <p>would be okay.</p> <p>PD: I don't think Agresso would be able to do that.</p> <p>SJ: Has this ever been audited and what would be the consequence if we didn't do it properly?</p> <p>DJ: It depends, if it was felt that it was fraud then there are consequences, but it may be a 'slapped wrist'.</p> <p>SJ: Would the LA be responsible or the school?</p> <p>PD: There are financial penalties for failing to follow procedure.</p> <p>SR: This doesn't solve our problems, if we could include in the SLA that previously checked people are ok, it would help us.</p> <p>DJ: We probably need to seek advice from our tax advisers.</p> <p>PD: HMRC guidance says that you must take reasonable checks to ensure compliance which would include things such as training.</p> <p>SR: We need to have a flow design and a steps guidance of what to do if they are not on the system.</p> <p>DJ: We also need further clarify on having a central base.</p> <p>JL: If there is clarity on role of the provider then there should not be an issue with having a database.</p> <p>SR: Perhaps someone from HMRC could come and talk to us?</p> <p>PD: It would probably be better if we take our own advice first.</p> <p>SR: We need training and help. If we had a pro-forma to complete it would help.</p> <p>DJ: We can do something like that, I have something already so we could use that.</p> <p>JL: The guidance document needs to be revised but are we happy with the SLA amendments?</p> <p>DJ: We will arrange training once the guidance is revised.</p> <p>SJ: Are we in a position to agree the Payroll SLA, there are still some issues with Creditors.</p> <p>It was agreed to accept the Payroll SLA and recommend to the School Budget Forum.</p> |
| 3. | <p><u>Caretakers Rent</u></p> <p>JL explained that there were currently five schools with a Caretaker House on-site and that they were subject to a 30% abatement on the market rental value of the property. It was the responsibility of each governing body to set the rent and they were also responsible for maintenance of the properties.</p> <p>The Estates Department had undertaken a review and found that in most cases the rent had not</p> |

| No | Discussion/Action |
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| | <p>been reviewed for many years and the rent being paid was much lower than the current market value.</p> <p>The property condition had also been inspected and found that one was satisfactory and four were unsatisfactory/poor.</p> <p>Members discussed and agreed the following recommendation for the School Budget Forum:</p> <ul style="list-style-type: none"> • Governing bodies review rental charges as soon as possible and then review every three years. • Follow Estates advice regarding market rates for rent/excluding water rates as required. • Governing bodies should also consider a stepped increase to rents over a three-year period in recognition of the scale of the increase that may be applied and the current cost of living crisis. • Schools to review available budgets in order to proceed with maintenance works where the responsibility falls to the school. • LA to review available budgets in order to proceed with maintenance works where the responsibility falls to the LA. |