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**SCHOOL BUDGET FORUM**  
**Tuesday, 5<sup>th</sup> March 2024**  
**(Afon Taf High School)**

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**NOTES**

<b>PRESENT:</b>	Keith Maher (Pen-Y-Dre High) - Chair Stuart James (Afon Taf) Sarah Hopkins (Blessed Carlo Acutis) Owen Morgan (Cyfarthfa Park Primary) Paul Phillips (Gellifaelog Primary) Anna Morris (Heolgerrig Community) Mike O'Neill (Pen Y Dre High) Simone Roden (Ynysowen Community Primary) David Anstee (Ysgol Y Graig Primary) Sue Walker (Director of Education) Councillor Andrew Barry (Cabinet Portfolio for Governance and Resources) Liam Hull (Chief Officer Finance) Garhard Williams (Union Representative) Anthony Lewis (Head of School Planning, Support & Resources)
<b>IN ATTENDANCE:</b>	Louise Ballinger (Education Accountant) Joanna Lewis (LMS Manager) Gary Winston (Clerk to the Forum) Paul Davies (Creditors) David Jones (Payroll)

No	Discussion/Action
1.	<b><u>Apologies</u></b> Apologies for absence were received from Sarah Townsin, Alwen Bowen and Laurence Matuszczyk.
2.	<b><u>Minutes</u></b> The minutes of the following meetings were agreed as a true record: <ul style="list-style-type: none"> <li>23<sup>rd</sup> January 2024 - Schools Budget Forum</li> <li>27<sup>th</sup> February 2024 - Schools Budget Forum Working Group</li> </ul> It was noted that the Working Group Meeting on 27 <sup>th</sup> February was not quorate, and members discussed the agenda items and made recommendations to the full group.
3.	<b><u>ISB Reduction</u></b> Liam Hull informed members that Council had agreed the reductions to school budgets last week and all schools have been notified of their formula allocations for 2024/2025. It was recognised

No	Discussion/Action
	<p>that the reduction would have a serious impact on schools and Local Authority services.</p> <p>KM: I have looked at the responses to the consultation with schools and it is clear schools will be facing huge challenges.</p> <p>AB: It was a difficult meeting last week, we didn't want to cut school budgets, but it would have meant a further increase of 7.1% on council tax to offset, that clearly wasn't possible. The decision split the Council and is testimony to the difficulties we faced.</p> <p>SR: <b>I listened to the meeting and wondered if anyone could explain why it was mentioned that recent successful Estyn Inspections and the RARS Strategy would mean that schools could cope with the cuts without impacting standards?</b></p> <p>AB: We had a lot of debate, and it was a difficult decision, but we need to agree a budget in accordance with the legislation process and there will be a further meeting this week to do that or it will have due consequences.</p> <p>SR: I get that, but it was implied that the cuts would not have any impact. We are where we are due to the funding we had, which supported additional staff and that will end now. All the colleagues I have spoken to share that view.</p> <p>KM: The feedback supports that; we need to be clear as a Forum that these cuts will have a negative impact on standards and wellbeing in schools.</p> <p>SJ: There was a radio report today which mentioned that Merthyr LA pupils had 40% persistent absence last year. We have spent a lot of time and resources trying to support this area and are not able to carry on funding these, the figures will get worse.</p> <p>SR: It was the justification that bothered me.</p> <p>AB: Schools have done really well in the circumstances; we make representations to Welsh Government and others, but the system is broken. We cannot continue to take these reductions and there needs to be change.</p> <p>SJ: You can't expect the same outcome if funding is reduced, and it needs to be acknowledged.</p> <p>AB: I wonder at what point it will trigger change. 3 councils in England have been declared bankrupt, I know there were specific reasons, but many others are in the same predicament.</p> <p>KM: The impact will be wide ranging and be felt in areas such as standards, wellbeing, health &amp; safety, staff retention and recruitment. We understand the challenges the Council faces in setting its budget but the impact for schools and young people needs to be recorded.</p>
4.	<p><b><u>IR35</u></b></p> <p>AL: At the last School Budget Forum Meeting in January, we discussed how the Payroll/Creditors SLAs could support schools in undertaking IR35 checks. Paul Davies and</p>

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	<p>David Jones attended last week's Working Group Meeting to share suggestions and they have been invited to this meeting to provide an update.</p> <p>DJ: A workflow chart has been circulated. It's been updated to reflect personal service workers who are already set up on the database. We consulted our tax adviser on whether a central database could be set up to help us deal with multiple requests for the same provider and their advice was that it would not be a reasonable determination for HRMC and that we should not use a database for these cases and each case needed to be decided individually. That is not reflected in this flowchart. We have included a questionnaire with the guidance which could help determine the status of personal service workers.</p> <p>PD: Under the Creditors SLA we will provide support and guidance to schools. We are looking at hosting a database contrary to the advice. It would be used for our own intelligence, and it is worth noting that only around 5% of workload/procedures are for payments to staff. We have addressed our staffing issue with a new appointment and their job description will include IR35 support. I can also share the internal guidance we will give our staff.</p> <p>SR: I don't know how accurate the 5% figure is as they don't appear on Agresso at the moment as it seems schools have not been following that process. It is likely to increase now.</p> <p>PD: We now have 20 employment agencies on the framework which will mean that they are exempt from any checks.</p> <p><b>SR: That's fine but we will still need to do checks on everyone else.</b></p> <p>DJ: Only where the personal service is not provided by a limited company.</p> <p><b>KM: Should we look at the questionnaire, it seems that there are increased workload issues here, AL, what is your view?</b></p> <p>AL: From the work that has taken place, it will seem that schools would need to carry out checks on the 5% identified.</p> <p>PD: Our list would continue to be built and we would add anyone who meets the criteria to the list.</p> <p><b>KM: If they are already on Agresso, would that mean they are already approved? Perhaps we could have a trial?</b></p> <p>AL: At the moment there appears to be a risk and we need to ensure appropriate checks are made.</p> <p><b>KM: Can we be clear where the risk is? Is this area under LA jurisdiction or is it with schools?</b></p> <p>AL: Regulations and advice indicate that it is the role of the school and engaging body. The list that PD has prepared will help and if we could have a 'flag' facility on Agresso, it could help by identifying providers who have been used elsewhere for same purpose.</p> <p>PD: I have discussed this with IT, and it seems that Agresso could not support a 'flag' feature. If</p>

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	<p>a lot of schools are engaging the same company, we may be able to do something centrally to help.</p> <p><b>KM: That could be helpful but is there a timescale for this?</b></p> <p>DA: There still seems to be a duplication issue, I can't see why we can't have a simple system that recognises where checks have been done.</p> <p>KM: This is likely to have a bigger impact on primary schools, as secondary schools have a larger admin team to support. We welcome the work that has been done, but it still seems that the impact on schools is unclear.</p> <p>AL: We need to find a way forward. We have brought in the people in the LA who deal with this and taken their advice. I don't believe that this will have a significant impact on staff workload, but we need to act appropriately.</p> <p>DJ: HMRC will insist on the appropriate checks being made.</p> <p>PP: I think this all comes down to the level of reasonableness, the risks appear to be small. It would be helpful if the support services could do this for schools. Another issue we haven't considered is what if the information provider gives incorrect information.</p> <p><b>KM: Do we know where legal responsibility lies?</b></p> <p>AL: We would need to take legal advice, but we are trying to establish a process to assist at each stage.</p> <p>SR: I believe the responsibility will lay with schools, I have spoken to IR35 officers, and they said if you show due diligence, the LA can support.</p> <p><b>KM: Can I suggest that we have a trial period of the proposed process and see the impact on schools?</b></p> <p>DA: I think it would be useful to have a definitive answer on where the responsibility lies.</p> <p>PP: If responsibility lies with the individual, all we need to do is ensure reasonable checks are made.</p> <p>KM: Can I ask that we vote on having a one-year trial of the proposed process and review the impact later in the year.</p> <p>The proposal was unanimously agreed.</p>
5.	<p><b><u>Property Services SLA</u></b></p> <p><b>KM: Can I thank Chris Jones for attending and can you outline what has happened since our last meeting please?</b></p> <p>CJ: Thank you. First can I explain that P2 and P3 jobs are carried out as part of our joint procurement contract with RCT. Due to the volume of jobs they get, it would not be possible to seek further quotes. In January there was 77 jobs, all this work was carried out in accordance with the schedule of rates which have been approved as part of the tender</p>

No	Discussion/Action
	process.
SR:	<b>When the work was tendered, were there any other companies that came close to winning the contract that could also be approached to give a quote, we want a comparison to ensure that the estimates are competitive.</b>
CJ:	With this type of work, schools are usually looking for the work to be done quickly and that would not allow time for seeking alternative quotes. Also, they would need to adhere to the same schedule of rates.
SR:	<b>It seems we can't get around this, are there any alternatives? As we are now in a position where we won't be able to afford to have jobs done.</b>
CJ:	The difficulty is that we can only engage contractors who meet our specifications. It includes public liability insurance of £10 million and not many companies can offer this.
KM:	It seems smaller operators can't get involved and their smaller overheads would mean they could be more competitive. Its so frustrating for schools.
PP:	The cost is not the only issue, it's also the delays.
CJ:	If a school indicates that it is emergency work, it will always be addressed straightaway.
AB:	<b>Could certain types of work be exempt from these rules?</b>
CJ:	We have a schedule of rates in place and most jobs are covered by this. If they are not included, there is a clear costing process.
AB:	<b>We know it could be done cheaper and these processes need to be questioned. We don't get value for money and that also applies to the Council.</b>
CJ:	There are two years remaining to the agreement with RCT and procedures can be reviewed then.
PP:	<b>Is there an analysis on spend, have we looked at if it would be more costs effective to employ own workforce?</b>
CJ:	I don't have those figures today.
KM:	It's very challenging for school leaders but I would welcome discussions on alternatives.
SR:	<b>Planned jobs get quotes, but emergency don't and it's the small jobs we could get better value.</b>
CJ:	Schools should not use emergency code if the work can wait, that would allow us to get quotes.
AL:	<b>In terms of visibility of costs to schools, do you have any further information?</b>
CJ:	We are trialling a system with 5 schools from April where we would send invoices to school before they are paid, the school could then have 5 days to commit before payment made.
KM:	<b>That would be helpful but what happens if we are not satisfied?</b>
CJ:	We can challenge the provider. We will also sample check 10% of the work for quality of

No	Discussion/Action
	<p>work and best value.</p> <p>SR: That needs to be done quickly as with many jobs you can't tell until months later.</p> <p><b>KM: How will it be done?</b></p> <p>CJ: It will be a visit to the school or a call to the caretaker.</p> <p><b>OM: What about multiple callouts for the same job, for example electronic gates. The job is done and then we have the same or similar problems days later. We are charged for each visit, could someone look into those issues?</b></p> <p>CJ: I agree that needs to be looked at. Have you gone through Rapid Response or the LA to report issues, you have to report to the LA as if the school contacts the company directly, we won't have an audit trail.</p> <p><b>KM: If there are no further comments or questions, could I ask if we are ready to vote on whether to accept the revised Property SLA?</b></p> <p>Following discussion, it was agreed that there were further issues to be resolved regarding clarity on responsibility for each job, whether this falls to the LA or schools, and that this would need to be considered further before the SLA could be recommended.</p>
6.	<p><b><u>Caretaker Rent</u></b></p> <p>AL: This was discussed last week at the Working Group. A paper has been circulated which outlines that we now have only 5 caretaker properties and that they get 30% abatement as part of their contract.</p> <p>Estates have undertaken a review and found that the rents being currently charged were below the current market value and not increased for many years in some examples.</p> <p>The Working Group agreed to request that governing bodies with caretaker properties be asked to review their rent charges and have a phased approach to re-aligning with market values.</p> <p><b>DA: Is there any way to reduce the number of properties we have in schools?</b></p> <p>SW: No, but there has been national wastage over recent years, and they have been re-purposed by schools. We expect that trend to continue.</p> <p><b>AB: Has the review looked at all council owned properties?</b></p> <p>SW: No, this is just for schools.</p> <p><b>KM: The paper suggests a tapered approach, is it for each governing body to make the decision?</b></p> <p>AL: Yes, they will have to make the decision. If there are no further questions, could we vote on whether to agree the recommendations?</p> <p>Members agreed unanimously to support the recommendation.</p>

No	Discussion/Action
7.	<p><b><u>Next Meetings</u></b></p> <p>The following meetings were confirmed:</p> <p><b><u>School Budget Forum</u></b></p> <ul style="list-style-type: none"> <li>• 21<sup>st</sup> May 2024 at 11am</li> <li>• 2<sup>nd</sup> July 2024 at 11am</li> </ul> <p><b><u>School Budget Forum Working Group</u></b></p> <ul style="list-style-type: none"> <li>• 23<sup>rd</sup> April 2024 at 10am</li> <li>• 11<sup>th</sup> June 2024 at 10am</li> </ul> <p>Venues to be confirmed.</p>
8.	<p><b><u>Any other business</u></b></p> <p>8.01 <b><u>Redundancy Meetings</u></b></p> <p>Governors stated that the Unions have been involved in six meetings so far to discuss possible redundancies for staff as a result of budget deficits.</p> <p>The situation was likely to worsen unless the budget issues can be addressed, and this was going to have a huge impact on standards and wellbeing as well as the wellbeing of staff.</p> <p>KM: We appreciate that staff may be fearing for their jobs, and we will try to deal with this in the best way we can, but I echo your concerns.</p> <p><b>SR: Am I correct that redundancy costs are being met by the LA?</b></p> <p>AL: The LA policy gives 20% enhancement for redundancy payments which the school pays for if the policy has been adopted by the school. The statutory element would be funded by the LA.</p> <p><b>GW: Can I remind members that there are arrangements to give those impacted by redundancy unlimited time to attend interviews. Is it still the situation that they will be guaranteed an interview if any vacancies arise?</b></p> <p><b>AB: Is it worth asking HR to attend one of these meetings?</b></p> <p>SW: It is something we could look into; we need to ensure that staff receive equitable treatment.</p>