
SCHOOL BUDGET FORUM
Tuesday, 10th December 2024
(Afon Taf High School)

NOTES

PRESENT:	<p>Abby Sharpe (Abercanaid Community)</p> <p>Stuart James (Afon Taf High)</p> <p>Jeff Beard (Cyfarthfa High)</p> <p>Owen Morgan (Cyfarthfa Park Primary)</p> <p>James Voros (Gellifaelog Primary)</p> <p>Anna Morris (Heolgerrig Community)</p> <p>Keith Maher (Pen-Y-Dre High) (Chair)</p> <p>Paul Phillips (Pen-Y-Dre High)</p> <p>Alwen Bowen (Ysgol Rhyd Y Grug)</p> <p>Sue Walker (Director of Education)</p> <p>Craig Flynn (Director of Finance)</p> <p>Anthony Lewis (Head of School Planning, Support & Resources)</p> <p>Jacqui Roome (Substitute member for Simone Roden)</p> <p>Garhard Williams (Union Representative)</p> <p>Councillor G Lewis (Cabinet Portfolio for Education)</p>
IN ATTENDANCE:	<p>Joanna Lewis (LMS Manager)</p> <p>Emma France (Clerk to the Forum)</p>

No	Discussion/Action
1.	<p><u>Apologies</u></p> <p>Apologies received from Sarah Townsin, Mike O'Neill, Simone Roden, Sarah Hopkins and Rhiannon Stephens Davies and Louise Ballinger, accepted.</p> <p>Jacqui Roome as a substitute member for Simone Roden.</p> <p>Welcome Craig Flynn to the Forum. CF newly appointed Director of Finance, previously worked within LA and LMS manager, CSC and Powys County Borough.</p> <p>Introductions to forum members.</p>
2.	<p><u>Minutes of Meetings</u></p> <p>The following minutes were approved:</p> <ul style="list-style-type: none"> 18th October 2024 - Schools Budget Forum 15th October 2024 - Schools Budget Forum Working Group 19th November 2024 - Schools Budget Forum Working Group

No	Discussion/Action
3.	<p><u>Matters arising from the minutes</u></p> <p>None</p>
4.	<p><u>School Balances across Wales 2023/2024</u></p> <p>Members noted content of report entitled All Wales School Balances 2023-2024.</p> <p>Table 1 - Levels of reserves per pupil held in schools 31st March 2024.</p> <ul style="list-style-type: none"> Reserves per pupil in Merthyr are £228 per pupil compared to £468 per pupil in 2022/2023. <p>Table 2 - Year on year change in school reserves as a percentage of delegated schools' expenditure</p> <ul style="list-style-type: none"> Merthyr decreased their school reserves year on year during 2023-2024 to £2.1 million, a reduction of £2.2 million on the previous year. All authorities reduced their reserves from the previous year. <p>Tables 3 & 4 - number of schools in Wales with reserves at 31st March 2024.</p> <ul style="list-style-type: none"> As a percentage of delegated schools' expenditure and value of those reserves broken down by school sector. <p>Table 6 - profile or distribution of school balances across Wales.</p> <ul style="list-style-type: none"> Across Wales on average, 21% of schools are in deficit. Only 4% of Merthyr schools have balances over 10% compared to 24% of schools across Wales. <p>Table 7 - Overall level of reserves by school sector.</p> <ul style="list-style-type: none"> Net reserves across Primary Schools total £70.1 million a decrease of £46.4 million year on year (-40%). Reserves across Secondary schools total £35.6 million a decrease year on year of £37.2 million (-51%). Middle schools total £2.4 million a decrease of £4.5 million year on year (-65%). Special Schools total £5.3 million a decrease of £5.1 million year on year (-51%). Overall reserves have decreased by £93.7 million to £114.5 million in 2023/2024 from £208.2 million in 2022/2023 (-45%). <p>Noted similar reductions expected 2024/2025.</p> <p>KM: Any information on settlement from WG?</p> <p>JL: Not as yet will receive it over next two days</p> <p>KM: In a meeting with the education minister, she stated education is a priority and made positive overtures regarding funding in Secondary Head Conference.</p> <p>AL: We will have further information on budget 2025/2026 over the next week.</p> <p>AL: Lag on information, the significant decrease in balance for next year reflects the budget for 2024/2025 financial year. Anticipating year end to have significant less outturn March 2025 to March 2024.</p>

No	Discussion/Action
	<p>KM: Thank you for providing the paper for consideration.</p> <p>Forum noted content of paper.</p>
5.	<p><u>Average v Actual Teacher Salaries</u></p> <p><u>Background</u></p> <ul style="list-style-type: none"> • Current funding model is based on sector average excluding HT and TLR. • Inequity in some schools, some schools gain from funding model depended on sector average, and some schools lose, at a time of such significant financial pressures in schools the working group has been considering different models to ensure a system where schools are funded on the basis of the average salary of the staff they employ and are not penalised by using a sector average. <p>The funding for LRB staffing has already moved to this model as agreed by the School Forum.</p> <p><i>JV joined meeting.</i></p> <p>JL presented members of the forum with a paper identifying 2 proposed models for the below for each school:</p> <p><u>Option A - model based on school average and SLT capped.</u></p> <p>HT and TLRs not included.</p> <p>SLT capped based on school numbers below.</p> <p><u>Primary</u></p> <ul style="list-style-type: none"> • Group 1 fund maximum of 1 SLT • Group 2 fund maximum of 1 SLT • Group 3 up to 400 pupils fund maximum of 2 SLT • Group 3 over 400 pupils fund maximum of 4 SLT <p><u>Secondary</u></p> <ul style="list-style-type: none"> • Group 6 fund maximum of 4 SLT: <p>Restrict funding – additional SLT above the model number would be funded at UPS3.</p> <p><u>Option B - where funding was based on total school average</u></p> <p>HT and TLRs not included.</p> <p>For each of the proposed models' members were provided with:</p> <ul style="list-style-type: none"> • School average • Sector average • Variance per Teacher • Variance per SLT • Number of SLT in comparison to above model

No	Discussion/Action
	<ul style="list-style-type: none"> Revised funding model with SLT limits and School average (excl, HT & TLR) Revised funding model based on all staff and school average (excl, HT & TLR) Variances for each school moving from average sector to both models <p>The working group recommended to the School Forum the revised funding model with SLT and school average with no transition to start from April 2025. Identified as Option A on paper.</p> <p>AL: We have received the recommendation of Option A; I propose we use a tapering for schools which are losing funding as we previously done. Fully implement for schools gaining from the change but taper for the schools losing.</p> <p>JR: Where would the funding for tapering come from? The other schools cannot continue to support schools who are losing.</p> <p>AL: It would form part of overall the Formula funding.</p> <p>JR: Would that still impact the schools which have lost on the current funding model moving forward?</p> <p>SJ: I have concerns A or B will cost LA money in long term. Cost money to taper and implications in long-term, school appoint higher up pay scale. Schools currently appoint based on salary, if in the long-term schools appoint at the top end of scale the costs to LA will increase.</p> <p>AL: The current system reflects actual post costs currently but on a sector average, I do not believe using the school average would lead to greater costs in the system</p> <p>SJ: If appoint at top end it would.</p> <p>AL: Surely schools appoint the best person.</p> <p>SJ: Not always we consider their salary point.</p> <p>SW: I would be incredibly disappointed if schools were not appointing the very best person to teach their pupils. Under no circumstance should age, gender or finance be considered when making an appointment. Appointment process must always ensure the very best person is appointed regardless of their point on the salary scale.</p> <p>PP: What is the objective? More losers than winners? I am trying to understand the fairness rational. The two schools I support are losing, one in PLD and the other going into deficit over the MTFP. As a GB we plan budget and staffing over the medium term to make a change for April 2025 would completely upset our MTFP. There is always going to be inequality in the system.</p> <p>JR: I think we need to consider what is the fairest across the whole LA which does not focus on our schools. We have schools that are significantly losing out by current model and are already in a significant deficit.</p> <p>AL: Most schools are losing more in the current system, changing the model would address the inequities.</p>

No	Discussion/Action
	<p>OM: The working group has carried out a piece of work and has made a recommendation to the forum for Option A and full implementation for April 2025.</p> <p>JR: It would be completely unacceptable for the schools currently losing to continue to lose beyond this financial year. They should not have to wait even longer for a fairer funding model.</p> <p>KM: I suggest we have further discussions on the taper effect, not in order to delay implementation but for the Forum to have a greater understanding of the impact of the decision.</p> <p>AL: Need also to be fully aware of implications of not making a decision.</p> <p>KM: These figures are in relation to next year's funding?</p> <p>JL: No, this is showing the impact the different funding models would have had on 2024/2025 funding should they have been applied. We will be working on the impact on the funding for 2025/2026 over the next month.</p> <p>PP: What is the advantage?</p> <p>JR: The advantage will be that schools funding is based on the teachers they employ with their funding not impacted on the other schools within the sector.</p> <p>AL: Accountancy currently working on average salary estimates we could bring the back to the next meeting to look at impact on 2025/2026 and look at what the taper effect would be.</p> <p>SJ: Taper costs need to be considered, it will result on long term increase in costs.</p> <p>JR: I am not part of Forum, I am representing SR but from my understanding our role is to be objective, and consider model that is equitable.</p> <p>KM: Sprit of Forum is to act impartially and consider models and principles.</p> <p>OM: Always winners and losers, working group approached in a fair an unbiased way, which I believe should be replicated in this forum. Why should the funding a school be in receipt of be dependent of staffing in another school. The current model penalises schools for employed high quality and experienced staff. There should not be winners and losers when it comes to employing staff. You should be funded for the staff you choose to employ based on a robust appointment process.</p> <p>KM: I would like to share some notes I have prepared as Chair:</p> <p>Consulted general principles of funding with specialists and Headteachers in other authorities. Observation I would like recorded:</p> <ul style="list-style-type: none"> • I have reservations and concerns. • Firstly, around the haste of this change, the significant implications facing some schools. • Based funding on sector average in the formula is predictable and we have developed MTFPs based on this model.

No	Discussion/Action
	<p>I think it is reasonable to question the speed of this change when assumptions have been made in such a short space of time.</p> <p>A lot has been spoken around equality and fairness and they mean different things to different people, difficult to judge what is equal and fair.</p> <p>Before we settle that school average is a fairer model, we need to collectively consider our perceptions of fairness.</p> <p>I am on the forum to represent the secondary sector, there are two winners, and two losers is that fair.</p> <p>It can be argued (in a non-biased way) that a move towards school average will punish schools with less experience staff. HR processes are in place to ensure schools appoint best person. We need to take into account Inflation pay progression. Have we investigated other distribution models?</p> <p>For example, funding model school average with a supplemental amount for UPS3.</p> <p>Can we be reassured there are no other models to explore, other models to consider? I am not reassured that the working group has considered all options.</p> <p>A change of this magnitude would need an in-depth impact assessment GB and TU consultation. There will be implication including redundancies and staff contractions.</p> <p>Secondary SLT model one size does not fit all.</p> <p>Need equitable funding which is clear, and every school has access to finance it needs.</p> <p>Not reassured at this stage that enough due diligence has taken place. Not satisfied with the assumption that this is a fairer system.</p> <p>My view as Chair that further models need to be explored before considering other LA models and an impact assessment and consider taper on future budgets.</p> <p>AL: We have obtained further information on other LA funding models. I'm not sure if these were considered by the working group, but if not this could be done and then shared with the Budget Forum for transparency.</p> <p>Impact assessment would be carried out as part of process once we have a recommendation from the Forum, we would then carry out consultation with all Governing Bodies prior to taking recommendation to cabinet in line with our usual processes.</p> <p>JL: The working group did receive information on other LA models, 6 LA came back to us all with very different models.</p>

No	Discussion/Action
	<p>KM: There's nothing in the minutes about this.</p> <p>OM: They were considered and there was no consistency and nothing shared that provided a fairer model than the one developed by the working group.</p> <p>SW: When budget allocation was altered previously, we used tapering.</p> <p>KM: I stand by comments, I think we need to consider other LA models.</p> <p>JB: From my understanding the working group has a T&F obligation to carry out in-depth dive and provide forum with a recommendation. The working group has recommended Option A. Are we requesting the working group goes back and reconsiders?</p> <p>JR: Procrastination is not helpful.</p> <p>SJ: I am on working group and I think we made a hasty decision without having all the information, not all implications fully considered I think we should take more time make correct decision.</p> <p>OM: Working group not done in haste this was considered over three meetings, perhaps members need to think about the impact on the schools which are currently being significantly impacted and are already in significant deficit budget.</p> <p>KM: Reiterate I value the working group, and I know the decision was well considered not done in haste. I just believe they should consider models from other LAs.</p> <p>AM: To be clear, as a school I will be negatively impacted by moving to school average, but I can clearly see they system is not right, and my school should not be benefiting from other schools.</p> <p>KM: If we look at different models and it is still clear this is the best model then we can consider it next meeting. A decision like this cannot be taken quickly.</p> <p>JR: In response to that Chair, I have been a Head in the LA for 12 to 13 years and we have been discussing this funding model since I joined, I don't think we can call this moving too quickly. RCT had a fairer funding model 12 years ago and we are still working on sector average at it benefits some schools. Will this same discussion be happening in the next 12 years. To be clear I thought the members here were supposed to be impartial.</p> <p>SJ: How does this support the middle tier review? If we are supposed to support LA?</p> <p>OM: SLT, dependent on size of school if school opt bigger SLT build into school budget.</p> <p>PP: To reiterate I do not know enough to decide, I would need to understand impact on future. I do not dispute recommendation, but it is up to us to ask for further information.</p> <p>SW: In 2025/2026 schools with the status quo are facing significant redundancy and deficit budgets. Remaining with current funding model will not prevent that. Schools are already facing considerable challenges.</p>

No	Discussion/Action
	<p>KM: That is true.</p> <p>AL: To move forward what are we saying? We want the working group to look again at other LA models, consider impact of 2025/2026 and a taper for schools losing out?</p> <p>KM: Yes, I think that would be agreeable.</p> <p>AL: Can I just make clear that this piece of work was not officer led, it was led by HT and it was a unanimous recommendation.</p> <p>OM: What if when the working group looks and there is no consistent model across Wales?</p> <p>KM: The Forum will make a measured decision on what is fair and equitable.</p> <p>SJ: More information on tapering model.</p> <p>JV: I would now have a couple questions on tapering, to ensure fairness and equity and enable me to make the best-informed decision.</p> <p>GW: I can see from the spreadsheet why some of the HT are nervous, we need a plan to move forward and make a decision.</p> <p>SW: 8th January full Forum to consider settlement, working group are meeting on 9th January they can consider the request for further information from the Forum, and they can make a recommendation to full Forum on 21st January.</p> <p>AL: Support option to make decisions in January.</p> <p>SW: We will need to make decision in the 21st January meeting.</p> <p>KM: We will hold a vote on 21st January.</p> <p>JR: Is that a decision for the Chair or for the full Forum to make?</p> <p>KM: Thank you, JR I will call a vote now:</p> <p>It was agreed to vote on the following two options</p> <ul style="list-style-type: none"> • Whether member consider sufficient information has been provided to make a recommendation in this meeting, or • Whether further work is required to be brought back to Forum on 21st January <p><u>Vote</u></p> <ul style="list-style-type: none"> • Sufficient info to make a recommendation on moving forward – 4 votes • Further work to be brought back to forum 21st January – 8 votes • Abstain – 3 votes
6.	<u>SLA Feedback</u>

No	Discussion/Action
	<p>The members received a response from the 4 lowest scoring SLAs on comments raised by schools and how concerns have been addressed.</p> <ul style="list-style-type: none"> Property Service appendix 6A &6B School Meals Appendix 6C &6D Education Inclusion Appendix 6E Creditors Appendix F. IR35 training majority school received or scheduled to be receive IR35 <p>PP: Property Services, minimum 10% of jobs should be checked I would argue that is not enough, is any checking going on? Not enough quality control taking place.</p> <p>AL: Checks are carried out, but the checks are not always visible to the schools. The checks need to be more transparent.</p> <p>PP: We should have had further information including:</p> <ul style="list-style-type: none"> list of checks carried out what has been found. HT often raise concerns about the quality of work, is that consistent with the LA officer QA what concerns have been identified, what has been done to address them do they still use the contractor after poor workmanship has been identified <p>AL: We need to agree next steps. We can request further information but do you want Property Services to attend the next meeting to discuss?</p> <p>SW: I don't think we need to ask Property Services to the next meeting we can just go back and request a detailed report, this may not be available for the 21st January due to ongoing issues following the recent storms and the sink hole.</p> <p>It was agreed to request the additional information from Property Services on sample checks undertaken.</p> <p>JB: What is the IR35 – issue?</p> <p>JL: Will send minutes from previous meetings which will detail concerns. Main issues were the requirement for schools to undertake the IR35, the training required and if it could be included within SLA.</p> <p>KM: Primary sector inordinate amount of time for very small office team.</p> <p>SW: Quality of training was also issue.</p> <p>JR: Creditor SLA review was requested, as the SLA did not meet the needs of the schools it was not fit for purpose.</p> <p>JB: Catering?</p> <p>KM: Yes, there has been some concerning school feedback on the Catering SLA.</p>

No	Discussion/Action																								
	<p>AL: Where concerns raised, meetings held between Head of Catering and HT / SLT or there have been meetings arranged to discuss.</p> <p>JB: I’m aware there have been meetings with the Head and business manager.</p> <p>KM: There are some significant ongoing challenges and concerns around the school meals service.</p>																								
7.	<p><u>Date and agenda for next meetings</u></p> <p><u>Schools Budget Forum</u></p> <table><tr><td>8th January 2025</td><td>1.00pm</td><td>TEAMS</td></tr><tr><td>21st January 2025</td><td>11.00am</td><td>TBC</td></tr><tr><td>18th March 2025</td><td>11.00am</td><td>TBC</td></tr><tr><td>8th July 2025</td><td>11.00am</td><td>TBC</td></tr></table> <p><u>Schools Budget Forum Working Group</u></p> <table><tr><td>9th January 2025</td><td>10.00am</td><td>TBC</td></tr><tr><td>4th March 2025</td><td>10.00am</td><td>TBC</td></tr><tr><td>13th May 2025</td><td>10.00am</td><td>TBC</td></tr><tr><td>17th June 2025</td><td>10.00am</td><td>TBC</td></tr></table>	8 th January 2025	1.00pm	TEAMS	21 st January 2025	11.00am	TBC	18 th March 2025	11.00am	TBC	8 th July 2025	11.00am	TBC	9 th January 2025	10.00am	TBC	4 th March 2025	10.00am	TBC	13 th May 2025	10.00am	TBC	17 th June 2025	10.00am	TBC
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8.	<p><u>Any other business as directed by the chairperson</u></p> <p>GL: Can I request that an invite for the Council Cabinet Member for Finance as observer to future forums be agreed? – This was agreed by Members.</p> <p>PP: ALN funding freeze could explain if a child moves into LA who requires support how are schools supposed to manage?</p> <p>SW: Frozen budget for spring term to consider funding models. Looking at different model delegation there is a ALN T&F group being set up to consider funding options which will be taken to the working group to consider and bring recommendation to full Forum.</p> <p>PP: If new children to county there would be a discussion?</p> <p>SW: Yes, there would be an exception if there were new children in the LA who required support.</p> <p>JR: Pre-nursery in January we see pupils who have not accessed any provision come in with significant ALN, would they also be an exception?</p> <p>SW: If not in preschool yes with pupils new to county.</p> <p>AS: Teams meeting on the 8th January do we have a venue for the 21st January?</p> <p>JL: Not as yet will be circulated.</p> <p>The Chair closed the meeting and thanked contributions from all colleagues around the table and working group.</p>																								