



Cyngor Bwrdeistref Sirol
MERTHYR TUDFUL
MERTHYR TYDFIL
County Borough Council

SCHOOLS BUDGET FORUM
Tuesday, 9th December 2025
Civic Centre

NOTES

PRESENT: Keith Maher (Pen-Y-Dre High) - Chair
Owen Morgan (Cyfarthfa Park Primary)
James Voros (Gellifaelog Primary)
Paul Phillips (Gellifaelog Primary)
Anna Morris (Heolgerrig Community)
Simone Roden (Ynysowen Community Primary)
Sarah Hopkins (Blessed Carlo Acutis)
Stuart James (Afon Taf High)
Sue Walker (Director of Education)
Craig Flynn (Director of Finance)
Anthony Lewis (Head of School Planning, Support & Resources)
Garhard Williams (Union Representative)

IN ATTENDANCE: Emma France (Clerk to the Forum)
Louise Ballinger (Education Accountant)
Cllr Anna Williams-Price (Portfolio for Governance, Resources and Public Protection)

No	Discussion/Action
1.	<u>Apologies / Welcome</u> Apologies for absence were received and accepted from Rhiannon Stephens-Davies, Abby Sharpe, Jeff Beard, Sarah Townsin, Mike O'Neill, Cllr Gareth Lewis, Alwen Bowen and Joanna Lewis. The Chair welcomed Cllr Anna Williams-Price to meeting, AWP outlined her role, introductions were made and members thanked Anna for her attendance.
2.	<u>Minutes of Meetings</u> The minutes of the meeting held on the below were agreed as a true record. <ul style="list-style-type: none">• 23rd September 2025 - Schools Budget Forum• 14th October 2025 - Forum Working Group
3.	<u>Matters arising from the minutes</u> Nil.
4.	<u>Item 4: All Wales Schools Balances 2024-2025</u> Discussion Summary:

No	Discussion/Action
	<ul style="list-style-type: none"> • Members reviewed the report on school reserves across Wales as at 31st March 2025. • It was noted that reserves increased significantly during 2020-2021 and 2021-2022 due to COVID-19-related funding but have since declined sharply. • All-Wales average reserves per pupil: <ul style="list-style-type: none"> ○ £148 in 2024/2025 (down from £253 in 2023/2024 and £456 in 2022/2023). • Merthyr Tydfil: <ul style="list-style-type: none"> ○ £98 per pupil (ranked 12th), down from £228 in 2023/2024 and £468 in 2022/2023. • Seven Local Authorities now have overall negative balances, compared to two in 2023/2024. • Isle of Anglesey holds the highest reserves per pupil (£556); Monmouthshire has the largest negative balance (-£219 per pupil). • Wales-wide reserves decreased by £48.4m (-42%) to £66.1m. • Merthyr's reserves reduced by £1.2m to £900,000 (1.3% of delegated expenditure), ranking joint 11th. • Five LAs have reserves exceeding 5% of delegated expenditure (Newport, Swansea, Isle of Anglesey, Gwynedd, Ceredigion). • Across Wales: <ul style="list-style-type: none"> ○ 27% of schools are in deficit (up from 21% in 2023/2024 and 8% in 2022/2023). ○ 393 schools have negative reserves totalling £71.8m. • Merthyr profile: <ul style="list-style-type: none"> ○ 21% schools in deficit, 54% with balances <5%, 4% with balances >10%. • Sector breakdown: <ul style="list-style-type: none"> ○ Primary: £54m (+£16.1m decrease), Secondary: £7.5m (-£28.1m), Middle: -£1.9m, Special: £5.8m (+£0.5m). • Seven LAs have overall negative reserves; Merthyr remains positive at £900,000 but among the lower.
	<p><u>Questions / Comments</u></p>
SR:	<p>There is a lot of information included within the report what are the main messages for us as an LA?</p>
AL:	<p>The level of challenge across the country is stark, it is getting worse at an accelerated pace. Schools seem to be in a funding crisis. Key questions:</p> <ul style="list-style-type: none"> • How are LAs going to meet the funding gaps? • How are schools across Wales being impacted by funding cuts? • How are schools being supported to meet the challenges? • How are the 2 LAs where the school balances are not decreasing doing that? • What are the impacts on our schools, learners and staff due to these cuts? What is the impact on curriculum delivery? What is the impact on Teaching and learning? What is the impact on pupil progress and attainment? What is the impact on H&S in schools? • Due to different funding methods etc. it is difficult to compare but what can we learn from other LAs? <p>We are seeing an improvement in the transparency across Wales.</p>
SR:	<p>The LAs where school balances are not decreasing how are they doing that?</p>
AL:	<p>We will contact those LAs for further details.</p>

No	Discussion/Action
	<p>SW: Finance is the key topic in ADEW.</p> <p>AL: We are also seeing Estyn having an increased focus on finance at both LA and school level.</p> <p>SW: Last two LAs who have had Estyn inspections, school finance has been a recommendation.</p> <p>GW: It is difficult to compare across LAs, but looking at the information, we can see as an LA we have the lowest proportion of schools with a balance over 10% and the highest proportion of schools with under 5% balances.</p> <p>SW: It is reported differently in each LA, delegation is also different in each LA.</p> <p>PP: For context MT has a low delegation of 78.6% where Newport has a delegation of well over 80% and Denbighshire is the highest with 92.4%.</p> <p>SW: Considering delegation levels does not really show us, as we can see the highest delegators are at the opposite ends of the spectrum with school balances.</p> <p>SR: We need to look how other regions have supported schools with the grants. In some authorities the majority of the funding for the CFS team have been delegated to schools to fund FLO. Currently where schools have FLO they are completely funded by schools.</p> <p>SW: It would not cover a FLO for each school other LAs have used a mix of LAEG and core funding. There are changes to SPF form April 2026 and it will look very different.</p> <p>SR: Even the part funding of a FLO for all schools would have had an impact, especially for the schools who already fully fund one from ISB, this would have released much needed money to support school functions and in some cases decrease the deficit. In RCT they have funded 80% of a FLO this would have had considerable impact across our schools.</p> <p>KM summaries points raised:</p> <ul style="list-style-type: none"> • There is a schools funding crisis in Wales. • The picture is worsening. • Very few LAs schools are managing not to see reductions in school balances. • There is further transparency across LAs, but it is difficult to compare. • The use of funding for CFS has varied across LAs with some LAs choose to part fund FLO for schools, this could have had a positive impact for schools across our LA. <p>School Forum members noted the report and briefing regarding the challenging financial position and trends in school balances across Wales.</p>
5.	<p><u>Revenue Settlement & ISB Efficiency Savings 2026/2027</u></p> <p>CF / APW presented members with a presentation outlining the below.</p> <p>Headlines:</p>

No	Discussion/Action
	<ul style="list-style-type: none"> • Welsh Government proposes 2.2% uplift for pay and 2.0% for non-pay elements. • Additional recurrent funding: <ul style="list-style-type: none"> ○ Teachers' pay award: £0.354m ○ ALNCo: £0.080m ○ NJC: £0.295m ○ Fire pay award: £0.005m ○ NI contributions: £1.920m <hr/> <p>Settlement Overview:</p> <ul style="list-style-type: none"> • All-Wales funding: +2.7% (£169m) to £6.443bn • Merthyr Tydfil: +3.1% (£4.213m) to £139.987m (4th best settlement) • Capital funding: +£0.092m to £3.570m • No transfers or new responsibilities; no indicative settlement for following year. <hr/> <p>Budget Impact & MTFP</p> <ul style="list-style-type: none"> • Projected deficits: <ul style="list-style-type: none"> ○ 2026/2027: £9.005m → revised £3.771m ○ 2027/2028: £11.382m ○ 2028/2029: £17.469m • Assumptions: <ul style="list-style-type: none"> ○ Settlements: +3.1% (2026/27), +1% thereafter ○ Council Tax: +5% per annum (1% ≈ £330k) ○ Pay award: 2.5% (2026/27), 2% thereafter • Efficiency proposals (non-school): £3.531m (2026/2027) <hr/> <p>Schools</p> <ul style="list-style-type: none"> • 2026/2027: Political objective to protect schools from additional efficiencies • 2027/2028 onward: To be determined <hr/> <p>Next Steps</p> <ul style="list-style-type: none"> • December: Briefings for CMT, Cabinet, SLT, Schools Forum, Trade Unions • January–February: Workshops, governance committees • 27 January: Local Government Settlement • March: Budget setting and Council Tax (statutory deadline: 11 March) <p><u>Questions / Comments</u></p> <p>SJ: No additional cuts? There are still cuts being applied from the previous year?</p> <p>AL: Yes, the previous cuts still remain, the approx. 6.5% cut from 2023/2024 and 2024/2025 will still be applied to the FA. There have been no further cuts to the FA in 2025/2026 and there is a political commitment not to cut further in 2026/2027.</p> <p>AWP: As we know the previous administration placed cuts of schools, we are not in a position to</p>

No	Discussion/Action																		
	<p>reverse those cuts.</p> <p>CF: We need to be realistic with the significant funding gap within MTFP it is unaffordable to unwind the previous cuts.</p> <p>KM: From a lay person’s perspective, the funding gap in the LA MTFP has reduced, there will be no additional cuts in 2026/2027, the previous cuts by previous administration are still applied.</p> <p>CF: Yes, that is correct.</p> <p>PP: We need to be mindful of the fact there is an election in May, should reform get into power they have already indicated they prefer the English model of academies. Are we considering the changes to the demographic and decrease in school roll?</p> <p>SW: In the Scrutiny Forward Plan, school places and surplus places will be considered. We are looking at a long-term plan, there are many factors to take into account:</p> <ul style="list-style-type: none"> • New build houses. • Surplus places and declining birth rate. • Seeing the impact particularly in primary schools. <p>AL: It is something we are considering, but it not a short-term fix, these decisions will not have an impact for 10 years. We need to consider:</p> <ul style="list-style-type: none"> • Falling birth rate. • Welsh medium and the drive to increase Welsh medium education across Wales. In MT we are seeing a decrease in the % of pupils going to Welsh medium. In addition, increasing Welsh medium will further decrease the number of pupils attending English medium. • Local development plan with a number of additional houses being built across LA. • We will carry out a SWOT analysis. <p>SR: Are you aware of the NAHT campaign regarding the amount of money that has been delegated to WG for education and the amount that has actually been passed on?</p> <p>AWP: Due to the political balance in WG there is an amount of money that has not yet been allocated in order to negotiate with other parties, to get the budget approved. If there is no budget approved, it will be catastrophic for public services across Wales.</p>																		
6.	<p><u>Date and agenda for next meetings</u></p> <p><u>Schools Budget Forum:</u></p> <table border="0"> <tr> <td>January 2026</td> <td>11.00am</td> <td>TBC – new date to be circulated in line with settlement</td> </tr> <tr> <td>24th March 2026</td> <td>11.00am</td> <td>TBC</td> </tr> <tr> <td>14th July 2026</td> <td>11.00am</td> <td>TBC</td> </tr> </table> <p><u>Schools Budget Forum Working Group:</u></p> <table border="0"> <tr> <td>12th January 2026</td> <td>10.30am</td> <td>Conference Room 1, Civic Centre</td> </tr> <tr> <td>10th March 2026</td> <td>10.30am</td> <td>TBC</td> </tr> <tr> <td>05th May 2026</td> <td>10.30am</td> <td>TBC</td> </tr> </table>	January 2026	11.00am	TBC – new date to be circulated in line with settlement	24 th March 2026	11.00am	TBC	14 th July 2026	11.00am	TBC	12 th January 2026	10.30am	Conference Room 1, Civic Centre	10 th March 2026	10.30am	TBC	05 th May 2026	10.30am	TBC
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	16 th June 2026	10.30am	TBC
7.	<p data-bbox="156 320 220 349"><u>AOB</u></p> <p data-bbox="156 356 485 389">7.01 <u>MIS procurement</u></p> <p data-bbox="252 396 1390 468">A report of progress to date will be circulated and PS will attend the next forum to give update.</p> <p data-bbox="156 512 1023 546">The Chair closed the meeting and thanked all for their attendance.</p>		