



Cyngor Bwrdeistref Sirol
MERTHYR TUDFUL
MERTHYR TYDFIL
County Borough Council

SCHOOL BUDGET FORUM
Tuesday, 14th November 2023
(Afon Taf High School)

NOTES

PRESENT:

David Anstee (Ysgol Y Graig Primary) - Chair
Stuart James (Afon Taf)
Sarah Hopkins (Blessed Carlo Acutis)
Laurence Matuszczyk (Edwardsville Primary)
Paul Phillips (Gellifaelog Primary)
Rhiannon Stephens-Davies (Greenfield Special)
Anna Morris (Heolgerrig Community)
Mike O'Neill (Pen Y Dre High)
Simone Roden (Ynysowen Community Primary)
Sue Walker (Director of Education)
Anthony Lewis (Head of School Planning, Support & Resources)
Garhard Williams (Trade Union Representative)
Liam Hull (Chief Officer Finance)

IN ATTENDANCE:

Joanna Lewis (LMS Manager)
Gary Winston (Clerk to the Forum)

APOLOGIES FOR ABSENCE:

Keith Maher (Pen Y Dre High)
Sarah Townsin (Coed Y Dderwen)
Owen Morgan (Cyfarthfa Park Primary)
Alwen Bowen (Rhyd Y Grug)
Ian Kent (Education Accountant)

No	Discussion/Action
1.	<u>Welcome</u> Mr D. Anstee chaired the meeting in the absence of Mr K. Maher. Members welcomed Mr Liam Hull to his first meeting and congratulated him on his appointment.
2.	<u>Minutes</u> The minutes of the following meetings were agreed as a true record: <ul style="list-style-type: none">School Budget Forum - 19th September 2023School Budget Forum Working Group - 10th November 2023 (verbal update)
3.	<u>Matters arising from the minutes</u> <u>10th November 2023 - SIMS/MIS</u> Noted that meetings had been held with Headteachers and Chairs & Vice-Chairs and there had been

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	<p>agreements to the process set out in the previous Budget Forum meeting i.e., to extend the contract for a further three years subject to contractual queries being resolved with the Legal department. Discussions are continuing with Legal and contracts will be prepared when this process is completed. We will then engage with partners to determine the most appropriate way forward at the end of the three-year contract.</p>
<p>4.</p>	<p><u>School Balances across Wales 2022/2023</u></p> <p>JL presented a report on All-Wales Schools Balances as at 31st March 2023. The key points were as follows:</p> <ul style="list-style-type: none"> • During 2020/2021 and 2021/2022, school reserves had increased significantly due to the effect of the Covid-19 Pandemic and extra core funding. During 2022/2023 reserves have decreased significantly due to extra costs associated with inflation and supporting the needs of learners following the pandemic. • All-Wales average reserves are £465 per pupil compared to £659 in 2021/2022 and £393 in 2020/2021. • Reserves in Merthyr Tydfil are £468 per pupil and ranks 11th in Wales. In 2021/2022 it was £703 (8th) and 2020/2021 £475 (5th). • Merthyr Tydfil decreased their school reserves in 2022/2023 to £4.2 million, a reduction of £201 million on the previous year. • Reserves in Merthyr Tydfil are now 7.1% of delegate schools expenditure which is lower than the All-Wales averages of 7.4% and ranks joint 11th. • 117 school had negative reserves in 2022/2023 totalling £14.6 million, a large increase compared to 2021/2022 (44 schools). • Merthyr Tydfil is one of five LAs where no schools held a negative balance in 2022/2023. • In Merthyr Tydfil, 46% of schools held balances of 0-5% (an increase of 4% compared to 2021/2022) and 21% of schools held balances of 5-10% and 10% of schools had balances of over 10%. Both these figures had decreased from 2021/2022. <p>PP: The tables indicate that budgets have been managed well.</p> <p>JL: I agree, schools and governors with the support of the LA have managed their budgets effectively.</p>
<p>5.</p>	<p><u>Procurement Spend Analysis</u></p> <p>JL explained that a presentation had been made at the School Clerk Forum on the benefits to using the authority's preferred supplier when purchasing a wide range of products. There was also a best price guarantee.</p> <p>An analysis was undertaken which showed that many schools were still using other suppliers and were missing out on a lot of savings.</p> <p>DA: Did all schools attend the meeting?</p> <p>JL: It was well attended but not all. We will arrange to circulate the information to all schools.</p> <p>AM: Where is the best price guarantee?</p> <p>JL: I understand that the contract has just been issued to Hope and that they promise to match other prices.</p>

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	<p>PP: We have negotiated a discount with Hope, have we tried to do the same with other suppliers?</p> <p>AL: We have undertaken a procurement process, and this has resulted in Hope being given the preferred supplier.</p> <p>SW: The negotiations with Hope were at an All-Wales level, we are part of an All-Wales negotiation which gives greater bargaining position.</p> <p>LM: Why are schools only being told of this now?</p> <p>JL: Hope held the contract pre-pandemic and they come to a Clerk Forum then and the information was circulated but we can circulate this information again as necessary.</p> <p>LM: Why weren't schools directed to use Hope previously?</p> <p>SW: Capacity has been an issue, but we now have a new Procurement Team, and they are targeting this area.</p> <p>LM: Schools have to provide supplier codes, could we have just directed them to this supplier?</p> <p>AL: We need to be aware that under LMS, schools have the option of purchasing from suppliers they consider meet their needs. Procurement don't have an SLA with schools but this could be an area we have asked Procurement to explore further as part of the workstream.</p> <p>AB: We can't allow profit margins to impact on our services, we need to look at these areas in order to protect school services.</p> <p>LM: The LA has questioned school suppliers and refused to provide codes. I can't see why this couldn't have been done.</p> <p>SW: We will discuss with Procurement. We would have liked Procurement to have attended a Headteacher Meeting but that hasn't happened with ASOS. We can arrange that now and in a meeting with Chairs and Vice-Chairs.</p> <p>AB: We need to use Procurement more effectively; we have huge bargaining power, and it needs to be used.</p> <p>SR: The savings mentioned are very specific, do we get similar savings on other items?</p> <p>JL: We only mentioned a few items which schools spend a lot on, but there are similar savings on other items.</p> <p>LM: How long are prices held and is that monitored or audited?</p> <p>SW: It is something else we can discuss with Procurement.</p>
6.	<p><u>Service Level Agreements</u></p> <p>AL explained that the three-year cycle of SLAs was ending in March 2024 and therefore all the SLAs were being reviewed before they went to governing bodies for consideration in the Spring Term. We are aware of concerns around the Payroll and Creditors SLAs, and these are not being put forward at this stage and will come to the December meeting. Insurance SLA is in a different cycle to the other SLAs as the contract has another two years to run.</p>

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	<p>SR: Are there any guarantees of a service if there is sickness absence of the staff? PP: It is normal practice that a service should be guaranteed if that happens.</p> <p>SR: It isn't at the moment, if staff are absent, we don't get a service, sometimes we get refunds but that isn't good enough, we are trying to deliver an education. An example is the current issues with Payments, we are having to use our own staff to cover for their absent staff which means they can't carry out the duties they are employed for.</p> <p>SW: Can you give specific examples that we can follow-up? SR: There are issues linked to IR35, and new contracts or payments are being passed back to us to process.</p> <p>LM: Perhaps we need an audit to look at the scale of the problem. SW: That's something we can look at.</p> <p>SR: The amount of money that schools contribute to Payments should mean that we have a dedicated person to deal with schools and they could do the IR35s. I don't believe that this is happening. AL: The departmental manager would manage the workload, we can ask how staff are being deployed.</p> <p>SR: IR35 is a big task, training has been provided but it shouldn't be a school clerk responsibility. It requires a dedicated person who has experience of dealing with them, that is what we are paying for.</p> <p>MO'N: We get the SLAs at a competitive price, and if we tried to commercialise them to make provision for sickness absence etc, it will make them more expensive. SR: We have gone external for HR support and when we got quotes, we didn't think that was the case. The Local Authority's HR SLA costs was only a middle ground costing.</p> <p>AL: We expect the service provider to try to find a way of continuing to provide the service if staff are absent, they would need to prioritise how staff resources are deployed.</p> <p>AB: Our services need to be more commercial, failure to provide a service should not be an option. We need to expand our commodity and with this comes responsibility, we must provide the service that is offered.</p> <p>PP: Where SLAs are not working - how do we get recognition that services are not being provided?</p> <p>AB: Where would you go if you are not satisfied with a service? SR: Schools would normally contact the Head of Service. We complained about HR as a cluster, they always came out low in the surveys and had opportunities to improve but didn't. We then made the decision to leave.</p> <p>AL: There is an escalation process for any concerns. If it is a bigger problem which the manager</p>

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	<p>or Head of Service can't address, we would bring it to this group.</p> <p>PP: We need a quick and easy to understand resolution process which isn't happening now.</p> <p>SR: With the Payroll SLA, they will charge us £40 if we make a mistake but it doesn't work the other way.</p> <p>AB: We need to go back and look at these from a commercial perspective. Is it that Heads of Service are not feeding back? Is it a staff resource issue? We need to go back and talk about this and get a better understanding of the issues.</p> <p>LH: Are the SLAs, as written what you expect or are there wider issues that need to be addressed, possibly by Budget Board? If you are happy with the way they are written, we can accept them and then deal with the other issues.</p> <p>PP: In general, we are happy with the SLAs but concerned about service disruption and how it is addressed.</p> <p>AL: The SLAs need to be agreed before we go out to each governing body for approval. This group considered the performance of SLAs, we send a questionnaire to schools and feedback is that services are at least good, with only a few schools rating some services as adequate or occasionally unsatisfactory. That's not to say things can't improve further but where there are any issues, we call those services in and ask for an explanation.</p> <p>ASOS has limited our feedback this year and we have already identified three services for further review. Is it appropriate that we agree the other SLAs today? It is still a matter for each governing body to agree if they wish to purchase a service. If services are causing ongoing concerns then they could be invited to this full Budget Forum and any ongoing issues this group is unable to resolve could be referred by this group to Budget Board to ensure corporate scrutiny of the SLAs where needed.</p> <p>SR: There is ambiguity in the SLAs – the Payroll SLA states 'we reserve the right to' – what does that mean? They need to be looked at more closely.</p> <p>AL: We need specific examples so that we can look at these.</p> <p>SR: That's okay, but there is still the staff sickness issue.</p> <p>DA: Do we need to look at them individually?</p> <p>SH: In general, I am satisfied with the services, but you can only really judge a service when you need detailed support.</p> <p>AL: We would need information to focus our review.</p> <p>DA: Can I suggest that any concerns are identified and reported to JL/AL within the next week. We could then ask Service Leads to address then at the next meeting if necessary.</p> <p>AL: That would be appropriate.</p> <p>SR: We have pulled in three services this year but little discussion. Everyone feels the same</p>

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	<p>about them and they are always at the bottom.</p> <p>AL: That is not accurate, they are not all at the bottom when you look at school feedback. The services have shown a great deal of progress, the data support this. We do need to address any negative issues and each service needs to be aware of offering a continually improving service but based on the annual feedback received from schools on SLAs there is generally an improving position. The issue seems to be where there are some schools that have recurring issues with services and the difficulty in getting these resolved.</p> <p>AB: The feedback today has been invaluable.</p> <p>PP: Is there any external monitoring of the services or is it all internal.</p> <p>AB: We use our internal systems.</p> <p>PP: That may be the issue, if things are not improving it may be because they are auditing themselves. If we have long standing issues im surprised you are not aware of them, so perhaps we need external audit.</p> <p>AL: We have undertaken SLA evaluations with schools for a number of years and the performance outcomes are generally strong, the processes in place are a recognised strength of the Authority, but we do need to look at how concerns are addressed for SLAs that have recurring issues.</p> <p>PP: I would agree but some of these services are critical and need to be addressed.</p> <p>LH: We need to look at the process first and it may be that we consider the audit route.</p>
7.	<p><u>Next Meetings</u></p> <p>The following meetings were agreed:</p> <ul style="list-style-type: none"> • School Forum Working Group - 21st November at 10am (Ynysowen Community Primary) • Special Meeting - January - date to be confirmed (Teams)
8.	<p><u>Any other business</u></p> <p>LM: For members information, I attended a meeting yesterday at the National Assembly where our petition regarding budget reduction was discussed. There is a lot of concern about how school budgets will be affected next year and the risk to capital projects.</p> <p>SW: There are in-year cuts this year, but schools are not affected, but it will mean that we will not be getting any last-minute funding this year. We understand that our capital projects are not at risk - it is more likely to impact the in-year capital maintenance grant that hasn't been announced yet.</p> <p>The Chair closed the meeting and thanked them for their attendance.</p>