



Cyngor Bwrdeistref Sirol  
**MERTHYR TUDFUL**  
**MERTHYR TYDFIL**  
County Borough Council

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**SCHOOL BUDGET FORUM**  
**Tuesday, 23<sup>rd</sup> January 2024**  
**(Civic Centre)**

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**NOTES**

**PRESENT:**

Stuart James (Afon Taf) - Chair  
Sarah Hopkins (Blessed Carlo Acutis)  
Sarah Townsin (Coed Y Dderwen)  
Rhiannon Stephens-Davies (Greenfield Special)  
Anna Morris (Heolgerrig Community)  
Simone Roden (Ynysowen Community Primary)  
Alwen Bowen (Ysgol Rhyd Y Grug)  
Laurence Matuszczyk (Edwardsville Primary)  
Mike O’Neill (Pen Y Dre High)  
Garhard Williams (Union Representative)  
Anthony Lewis (Head of School Planning, Support & Resources)  
Councillor Andrew Barry (Cabinet Portfolio for Governance and Resources)  
Liam Hull (Chief Officer Finance)

**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
1.	<b><u>Welcome/Apologies</u></b> The Chair welcomed everyone, and it was noted that apologies for absence had been received from Mr K Maher, Mr D Anstee, Mr O Morgan, Mr P Phillips and Ms S Walker.
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>5<sup>th</sup> December 2023 - Schools Budget Forum</li><li>11<sup>th</sup> January 2024 – Schools Budget Forum</li><li>15<sup>th</sup> January 2024 – Schools Budget Forum Working Group</li></ul>
3.	<b><u>Matters arising from the minutes</u></b> 3.01 <u>School Budget Forum - 11<sup>th</sup> January 2024</u> Noted that the discussion in item 1 was taken by LH and not LM.
4.	<b><u>Service Level Agreements 2024-2027</u></b> AL: Following the comments received at the previous School Forum Working Group Meetings, a

No	Discussion/Action
	<p>paper is presented which outlines the actions taken to address the issues raised.</p> <p><u>General Queries</u></p> <ul style="list-style-type: none"> <li>All services have reviewed and updated their existing processes in the documented SLAs.</li> <li>A standard clause for inclusion in all SLAs has been drafted to address the concern regarding service delivery falling below the agreed standard whether due to staff shortages or for other reasons and what is to be expected in terms of prioritisation of resources and whether any reimbursement or financial penalties could be applied to benefit schools.</li> <li>Following feedback received after the Budget Forum Meeting (5<sup>th</sup> December), the requested amendments have been made to the clauses and agreed with the Council's Corporate Management Team.</li> </ul> <p><u>Specific Queries</u></p> <p>Noted the comments and responses to specific SLAs.</p> <p><u>SLAs selected for Working Group Review</u></p> <p>Noted the comments and responses to the respective SLAs.</p> <p><u>Governance of SLAs</u></p> <p>Noted the suggested contract management arrangements for the SLAs 2024-2027.</p> <p><b>SR: In the Working Group Meeting with Property Services, we were given an appendix which listed who was responsible for specific areas of maintenance. Following the meeting I have checked the list against the CIPFA Guidance we had and there appears to be discrepancies and the LA should be responsible for more areas.</b></p> <p>AL: I can ask that the list is checked and would be grateful for any specific examples.</p> <p><b>SR: There is also the question of if the responsibility lies with the school, do we get the funding for it?</b></p> <p>AL: The finance is attached to the responsibility and that can be looked at.</p> <p><b>SJ: Until we get that information, it would be difficult to agree to sign that SLA off today.</b></p> <p><b>AB: Is there a manager for each SLA and why wasn't this picked up before today?</b></p> <p>SR: It was discussed in the Working Group but I'm just querying the information we were given.</p> <p>AL: The SLAs are managed by the service lead, and they have attended Working Group Meetings.</p> <p><b>AB: That's okay but we need to be able to learn lessons and ensure that our structures can deal with issues before we get to this stage.</b></p> <p>LH: There are structures in place now to deal with any concerns.</p> <p><b>SH: It seems that our hands are tied with some of the SLAs. We have been concerned about the cost of repairs and maintenance for a longtime.</b></p> <p>AB: Procurement is a big issue and need feedback about any issues.</p> <p><b>SR: It has been fed back, but all we are told is that the charges are in line with procurement</b></p>

No	Discussion/Action
	<p><b>and the schedule of rates.</b></p> <p>AL: The explanation given was that rapid repairs are an emergency response, and the work is tendered in line with the agreed rates. There is an opportunity of 5 days to query an invoice which is going to be trialled. Schools can go outside the SLA themselves, but they need to be fully aware of the risks and the checks that need to be undertaken.</p> <p><b>SR: With rapid repair we only know the cost when we get the invoice, or the payment taken. You can't query a price when the work has already been done.</b></p> <p>AL: Rapid response should only be used for emergency work that is required urgently. We don't get quotes for that type of job as it needs to be straightaway. There is a process to check that the work is done properly and in accordance with the schedule of rates on a 10% sample basis. It seems that not all Heads were aware of the checks taking place, so Chris has confirmed this will be addressed by making Heads aware when the checks are taking place to provide visibility to this process.</p> <p>AB: It is a concern and I understand the schools have not been happy. We shouldn't be paying extortionate prices for menial jobs, and I will discuss with Procurement. These companies are in a privileged position knowing that they are guaranteed payment and that is really important, we should use that to ensure we drive down prices.</p> <p>AL: The schedule of rates has been tendered and Property Services can only use one of two suppliers as per the contract, but schools could use other suppliers themselves to seek better value provided various checks are in place to ensure schools can manage the works compliantly.</p> <p>SH: Even with rapid repairs, jobs are not usually completed on the first visit. They don't have the materials on the van and need to come back later so I can't see how we can't be given an idea of the price.</p> <p>LM: There are lots of issues, at a Chairs &amp; Vice Meeting we had Property Services staff there and raised the issue of problems with electronic gates. It doesn't seem that anything has changed and there is a fundamental problem with the service.</p> <p>AL: The service are currently tendering for a new electronic gates contract.</p> <p><b>SR: If 10% of jobs were checked they would pick up these issues but it's not happening.</b></p> <p>AL: The SLA satisfaction surveys were also discussed which could be completed after each job but this hasn't been done and so Chris has agreed to address this by requesting them to be completed quarterly.</p> <p><b>LM: I will go back to my schools and ask the Heads why they are not completing the questionnaire and feeding these issues back.</b></p> <p>LH: If we have trust between the schools and the service, we can address these issues and get these SLAs right.</p> <p>SR: The cost element is the most important for me, I have a good relationship with Chris, and he is always on hand to support. It is the cost mechanism that is the problem, and which needs</p>

No	Discussion/Action
	<p>to be addressed.</p> <p><b>SJ: Based on these discussions, we are in agreement that we cannot sign-off the Property Services SLA today and a decision will need to be deferred.</b></p> <p>It was agreed to defer Property Services to the next meeting.</p> <p><u>Creditors SLA/Payroll SLA - IR35 Support</u> Paul Davies (Creditors) and David Jones (Payroll) joined the meeting to discuss the above.</p> <p>AL: We have updated the SLA to reflect government guidance and provide support and guidance to schools when completing a IR35 form. Information has been circulated which shows the number of schools who have undertaken checks over the last two years. There have been a total of 26 checks undertaken by 11 schools, all of these resulting in an invoice being paid. I think there has only been one other check by a school which required to be paid via payroll.</p> <p><b>AM: My Clerk found it very challenging to complete and I don't think schools have the level of expertise to complete. Is it possible for the LA to complete on behalf of the school?</b></p> <p>RSD: We are fortunate and have a Business Manager who does this, other schools may not have the staff to support it.</p> <p>PD: The new SLA offers advice and support which wasn't in the previous SLA. The regulations changed a few years ago and the guidance states that it is the responsibility of the hirer to complete the form, but we can offer support.</p> <p><b>SR: We know it is our responsibility, but we would like the SLA to cover this. We can answer any queries, but the LA could complete. This is what happened before so I can't see why it can't now.</b></p> <p>PD: There is no evidence that we ever did this. There is nothing on file for Ynysowen.</p> <p>SR: We sent them to Huw, and they were dealt with.</p> <p>DJ: The problem is that every check needs to be done individually as the service being provided may be different.</p> <p><b>SR: We buy SLAs to get the expertise to support us. Schools are not confident in dealing with this, we had a process before which fully supported us with this.</b></p> <p>DJ: Only the client would have all the knowledge required to complete the form and that is why they need to complete it. I appreciate that the training over complicated the issue, but we would be available to offer support.</p> <p>AL: Schools are doing this at the moment and there is the offer of support.</p> <p>SJ: It seems that schools are struggling, some are fortunate to have staff that they can use to do this, but others don't.</p> <p><b>AB: Do we need a SLA that offers different levels of support?</b></p>

No	Discussion/Action
	<p>SJ: I don't think we need to do that, but we just need the support given previously.</p> <p>PD: <b>Huw didn't do it as part of the SLA, he may have done something off his own back but there's no evidence of this and we don't have the staff or expertise to do that now. If we had to do it for every school, it would be a problem for me.</b></p> <p>SR: <b>Our SLAs need to evolve to meet school needs, it's the same with Property Services as they don't include anything for new school technology such as ground source heating.</b></p> <p>LH: The SLAs do need to evolve but it may also result in an increase of cost. We can look at this if you wish.</p> <p>DJ: The Property Services SLA is different, as Property Services engage with the suppliers and installers in each contract in your example, whereas contracts dealt with under IR35 would be where the school has engaged with the worker</p> <p>SJ: <b>Do we know the volume of work with IR35, that is important.</b></p> <p>AL: There have been 26 checks carried out across all schools over the last two years. These were done by schools and shared with Creditors to support the payment of an invoice. The LA feels that the offer of support included in the amended SLAs would be sufficient for schools to complete IR35 checks as provides guidance/support on hand to help. This goes above and beyond what is offered currently. If we could resolve the issues of when schools need to complete the checks irrespective of whether suppliers that may help. I know JL has helped schools with this.</p> <p>AM: <b>Is that fair on JL?</b></p> <p>AL: I'm not suggesting that JL deals with it, but she has supported schools previously and now we do need to build it into the SLAs that should be offering support/guidance.</p> <p>JL: I have supported some schools and once you go through the process once they seem to be more confident in doing the checks.</p> <p>LM: <b>Is this only a school problem, or does the LA have the same issues?</b></p> <p>JL: Budget managers are required to complete them if they use these services.</p> <p>SR: I don't see why we should be buying something that doesn't provide what we want. We need clarity of who is responsible and when full checks are needed or not.</p> <p>LH: <b>Would you consider agreeing the two SLAs and dealing with this as a separate issue?</b></p> <p>SR: Im not happy about agreeing a SLA without knowing how this issue will be addressed.</p> <p>AL: <b>We could agree the SLAs in principle, subject to further discussions on IR35?</b></p> <p>DJ: <b>How many schools actually carried out a check? It isn't too difficult.</b></p> <p>MON: I agree, I never had problems. It's not as difficult as it seems, the HMRC online tool walks you through the process.</p> <p>AM: <b>Perhaps if we had a flow chart and guidance when a check is required it may help. Further training is also needed.</b></p>

No	Discussion/Action
	<p>SJ: The training would be needed quickly.</p> <p><b>SR: The guidance on when checks are required is most important.</b></p> <p>AL: I think this can be provided quite quickly, DJ has advised that something school specific can be prepared.</p> <p>DJ: HMRC guidance is useful, but we can provide something more school specific regarding when a check is needed..</p> <p>SR: If there was a flow chart around that it could help, but when checks are needed is most important.</p> <p><b>LM: It is difficult to agree to sign-up to it if we don't know what it will look like.</b></p> <p>AL: We could provide this before the end of term.</p> <p><b>SR: Can we also defer these SLAs, but are you saying that the most we can get is advice and guidance?</b></p> <p>DJ: I can't see how we would answer the questions required so we would always ask the school.</p> <p><b>SR: If we had proformas to provide the required information, that could help.</b></p> <p>PD: There would be duplication of information and additional work for us.</p> <p>LH: I'm in support of the idea that we issue guidance and provide support / advice as required. We could also provide training.</p> <p><b>SJ: If we can defer a decision and see what is offered and perhaps get the training we can then revisit.</b></p> <p>PD: I agree with that.</p> <p>It was agreed that guidance be provided to help schools identify when a check is required and that bespoke training also be provided by the authority to walk-through with schools some example checks. A decision on the SLAs would be deferred until the above has been addressed.</p> <p>It was agreed that the following SLAs for 2024-2027 be approved:</p> <ul style="list-style-type: none"> <li>• Accountancy SLA</li> <li>• Caretaking Services SLA</li> <li>• Education Welfare SLA</li> <li>• Financial Support SLA</li> <li>• Governor Support SLA</li> <li>• Human Resources SLA</li> <li>• Information Governance SLA</li> <li>• Legal SLA</li> <li>• School Catering Services SLAs (School Meals &amp; Breakfast clubs)</li> <li>• Schools ICT Department</li> <li>• School Music SLA</li> </ul>

No	Discussion/Action
	<p>A decision on approving the following SLAs was deferred pending further information.</p> <ul style="list-style-type: none"> <li>• Creditors SLA</li> <li>• Payroll SLA</li> <li>• Property Services SLA</li> </ul>
5.	<p><b><u>ALN and Language Support Funding</u></b></p> <p>JL: Last year we agreed a formula for the allocation of ALN funding based on a three-year average of PLASC Data and Language Support based on maximum SEN/ALN pupil numbers over three years. The principle being that no school should be disadvantaged during the transition to IDPs.</p> <p>As the transition is on-going, we are proposing that we adopt a similar procedure for 2024/2025 but use a 4 year average / maximum.</p> <p><b>LM: How did you decide the value of each unit?</b></p> <p>JL: It is based on the historic value which has grown with inflation.</p> <p>AL: We agreed the transition model to ensure that there were no losers, schools are all at different stages in the transition.</p> <p><b>LM: Will it be reviewed as we go forward?</b></p> <p>AL: It is part of the review of how ALN is funded, we will need to agree a new funding model for when the ALN register is fully implemented but that will be for future discussions.</p> <p>There were no further questions, and it was agreed to adopt the proposed transitional funding models for ALN and Language Support for 2024/2025.</p>
6.	<p><b><u>ISB Reduction</u></b></p> <p>JL: We discussed the potential reduction to the ISB at the last meeting and there were also joint Heads and Chair of Governors meetings last week where the reduction to budget was discussed. At those meeting, it was suggested that 4.1% reduction on the ISB would be required for 2024/20025. However, since that meeting, we have identified £116,122 savings from the School Meals SLA, and this means that the raised savings target was now 3.9%.</p> <p>A spreadsheet has been circulated which shows the potential impact of this reduction. The figures include the 2023/2024 reductions, the amended base figures and shows that LRB funding &amp; retrospective adjustments have been removed from the calculation.</p> <p><b>LM: What does it mean where it says reductions have been added back?</b></p> <p>JL: We have included the reduction made last year but that figure has been adjusted to reflect any changes e.g. pupil numbers.</p> <p><b>LM: It doesn't make sense.</b></p> <p>AL: We run the formula as normal for 2024/25 but then applied the cut from 2023/2024, those figures have been adjusted to reflect any changes as this was only fair. We then applied the 2024/2025 cut.</p>

No	Discussion/Action
	<p><b>LM: Are we taking it out twice?</b>  AL: No, we had to capture the position at each year as we fund on a pupil number basis and adjust that base if necessary.</p> <p><b>LM: So, we are really getting a cut of 6% not 4%?</b>  AL: It is around 3% for 23/24 and a further 4% in 24/25, so around 7% over the two years.</p> <p><b>RSD: I'm concerned that the cut affects all my budget as I don't get LRB/ALN funding so could that be looked at?</b>  AL: It would be for the group to agree an alternative method, we have previously considered pupil number basis but this disproportionately benefitted Greenfield and the flat rate was agreed as a fairer model.</p> <p><b>SR: You are asking us if we accept these cuts? What if we don't?</b>  AL: We are looking for a vote on the cuts and agreement on how we would apply the cuts.</p> <p><b>SJ: What happens if we do not accept them?</b>  AL: We would report that to Council.</p> <p><b>SJ: Shall we vote on the methodology and cuts?</b></p> <p>The vote was as follows:</p> <p>In support of the proposed reductions to the ISB 2024/2025:</p> <ul style="list-style-type: none"> <li>• 0 for</li> <li>• 10 against</li> <li>• 3 abstained</li> </ul> <p>In support of the proposal methodology for making the ISB reductions:</p> <ul style="list-style-type: none"> <li>• 11 for</li> <li>• 1 against</li> <li>• 1 abstained</li> </ul> <p><b>SR: Have the pay awards for staff been built into these figures?</b>  JL: What we know has been built in. 4% has been included for Teachers Pay from Sep 24.</p> <p><b>SR: Can we start the conversation about moving to funding actual teacher salaries?</b>  AL: We can include it in the work programme.  SJ: It would have an impact; we are always cautious of cost when we are recruiting staff.  SR: We should be focused on getting the best staff.</p> <p><b>LM: The cake would be the same size so any extra money for this would need to come from somewhere else.</b>  AL: We can put some models together and have a proper discussion at the Working Group but</p>



No	Discussion/Action
	there would be winners / losers.
7.	<p><b><u>Next Meetings</u></b>  The following meetings were agreed:</p> <p><b><u>School Budget Forum</u></b></p> <ul style="list-style-type: none"> <li>• 5<sup>th</sup> March 2024 at 11am (Afon Taf High)</li> <li>• 21<sup>st</sup> May 2024 at 11am (TBC)</li> <li>• 2<sup>nd</sup> July 2024 at 11am (TBC)</li> </ul> <p><b><u>School Budget Forum Working Group</u></b></p> <ul style="list-style-type: none"> <li>• 6<sup>th</sup> February 2024 at 10am (Ynysowen Community)</li> <li>• 23<sup>rd</sup> April 2024 at 10am (TBC)</li> <li>• 11<sup>th</sup> June 2024 at 10am (TBC)</li> </ul>