

SCHOOLS' BUDGET FORUM
Minutes of a meeting that took place at Ystafell Dwyrdd, Penrhyndeudraeth,
on 18 June 2018 from 14.00 until 15.30.

Present:

Mr Godfrey Northam - Chairman

Cabinet Members: Councillor Gareth Thomas (Education)
Councillor Peredur Jenkins (Resources)

Head of Finance Department: Dafydd Edwards (Item 1-6 only)

School Headteachers: Dylan Minnice (Ysgol Botwnnog), Dylan Davies (Ysgol Dyffryn Ogwen), Elen ap Gwilym (Ysgol Bro Tegid), Iona Wyn Jones (Ysgol Bro Cynfal/Edmwnd Prys), Alan Jones (Ysgol Nefyn), Dewi Lake (Ysgol y Moelwyn), Trystan Larsen (Ysgol Rhostryfan), Llion Williams (Ysgol y Garnedd), Owain Roberts (Ysgol Maesincla).

Teachers' Unions: Neil Foden

Governors: Gwilym Jones (Ysgol Borth-y-gest)

Officers: Owen Owens (Senior Manager Education Resources Services), Hefin Owen (Finance Manager), Einir Thomas (Senior Manager Additional Learning Needs), Sioned Williams (Member Support Officer).

1. ELECTION OF CHAIR

RESOLVED: To re-elect Mr Godfrey Northam as Chairman of the Forum for 2018/19.

2. ELECTION OF VICE-CHAIR

RESOLVED: To re-elect Councillor Gareth Thomas as Vice-chairman of the Forum for the year 2018/19.

3. APOLOGIES

Apologies were received from Iwan Trefor Jones (Corporate Director), Garem Jackson (Head of Education), Anest Gray Frazer (The Diocese), Menna Wynne-Pugh (Ysgol Penybryn, Tywyn), Andrew Roberts (Ysgol y Berwyn).

4. DECLARATION OF PERSONAL INTEREST

There were no declarations of personal interest.

5. MINUTES

The Chair signed the minutes of the meeting of the Schools' Budget Forum that took place on 5 February 2018 as a true record.

6. MATTERS ARISING FROM THE MINUTES

Item 6 - Gwynedd Council Budget 2018/19

Members were given an update by the Head of the Finance Department regarding the change to the savings system and how this will impact Gwynedd schools budgets. It was reported that the report 'Preparing for the uncertain financial situation from 2019/20 onwards' had been submitted to the Cabinet on 22 May 2018 and a summary of the contents was given to the members.

It was noted that the Government was likely to continue to reduce local government finance and it would be necessary to continue to seek savings. The mid-term Financial Strategy noted that between around £8.5 and £17.5 million savings would be required from 2019/20 onwards. The Council would not know what its grant allocation for 2019/20 would be before October 2018, however, it was necessary to prepare for the worst scenario.

It was highlighted that the Cabinet had resolved to put up with the financial situation by:

- Requesting the heads of department to continue to consider where they would save, if they were required to do so without delay;
- Be prepared to list savings plans according to the order of impact on Gwynedd residents;
- When information would be announced in October about the financial gap, workshops for all Council members would take place to consider and select the savings plans with the least impact on Gwynedd residents;
- The Cabinet would then consider the recommendations of the workshops and the contents of the list of savings in the Financial Strategy to be submitted to the Council.

It was emphasised that there would be no specific percentage of savings for schools, however, due to very wide range of financial possibilities, schools should prepare by considering where they could save, if they were be required to do so without delay.

During the ensuing discussion, the following main points were noted:

- Concern was expressed that last year schools had to take money out of their contracts in order to reach the overspend without delay - this was not acceptable. Was there an assurance that this will not occur again this year?
- It was noted that an external group had been established to look further at the matter of overspending.

Resolved: To accept and note the above.

7. FINAL SCHOOL ACCOUNTS 2017/18

Submitted, for information, the report of the Head of Education on the above and members were guided through the contents by the Finance Manager who noted that generally the balances of all Gwynedd schools had increased by £1,139,946 during 2017/18 to £4,018,478 that equated to 5.49% of the final allocation.

He expanded as follows that:

- 2 primary schools had a total deficit of -£7,891 (-£1,794 and -£6,097)
- 2 Secondary schools had a total deficit of -£173,691
- 1 Special School had a deficit of -£124,811

In terms of schools in deficit, it was suggested that the Education Department and the Finance Department should cooperate closely with the schools in order clear the deficit as soon as possible.

Concern was expressed that the balances of some schools continued to be high and this made defending the education budget, as a result of the financial cuts, very difficult. Although the schools welcomed the funding from the Government, it was difficult when there

was no guidance to advise on how the money should be spent. It was also understood that some schools received additional funding from the Government for building maintenance, however, it was stressed that the increase in the balance was separate to this finance.

It was noted that the Education Department had the power to instruct the governing body on how to spend the element of their balances that was over the threshold of £50,000 (primary) or £100,00 (secondary).

During the ensuing discussion, the following main points were highlighted:

- Primary schools were eager to mature the current systems to get an actual picture of the situation - financial figures were old history and did not give the real picture. A decision had been made to establish a group to look further at this.
- Concern was expressed that schools received some grants / financial contributions until the end of the year and unexpectedly, and did not have time to plan how it would be spent. It was important to stress this point as members discussed the financial cuts.

Resolved: (i) Approve that the Education Department and the Finance Department:

(a) Work closely together with schools with a financial deficit in order to ensure that they can clear the deficit as soon as possible.

(b) Continue to monitor school budgets.

8. SCHOOL GRANTS

Sumbitted - the report of the Head of Education, along with an appendix detailing the main grants which had been devolved to every school in Gwynedd for 2019/20, amounting to a total of £9.8 million above the £70 million allocated by the Council.

The forum was guided through the report - reference was made to the individual grants noting:

- School Development Grant - this year £2,322,350 would be allocated, compared to £2,271,450 in 2017/18. It was noted that the grant was based on free school meals statistics, and not the January 2016 PLASC for the financial year 2018/19 and also 2019/20.
- Education Improvement Grant (EIG) - this year £4,925,601 would be allocated compared to £5,217,001 in 2017/18. There was a significant cut in the Wales level grant, -11% in 2018/19 and a further -8.5% in 2019/20.
- 6th form grant - this year £3,182,291 would be allocated compared to £3,407,388 in 2017/18. Funding had been reduced for several reasons; reduction in the number of pupils; reduction in the average number of courses pupils study.

Although the total grants had more or less remained the same since last year, as a result of the increase in Teachers' Pay Agreements (5%) schools would be at a loss in real terms. It was noted that further cuts had already been announced by the Government for 2019/20 namely -8.5% in the EIG and -10% in the 6th form Pupils Grant - these figures had not been factored into the Teachers' Pay Agreement.

During the ensuing discussion, the following main points were noted:

- The Cabinet Member stated that he was very disgruntled with the Government's decision to cut education grants without the Council having any say in the matter. It was felt that the procedure of announcing cuts was not transparent, that the Government made the cuts through the back door.
- The news headlines and what was reported in the press did not give the real picture to the public regarding the size of the cuts.
- The government's financial announcements always occur on the last day and it was impossible to pre warn schools in order that they may put plans in place.

Resolved: To accept and note the above.

9. SCHOOL UNIFORM GRANT/BUDGET

The Senior Education Resources Manager reported for information that the Council had decided to continue to provide a School Uniform Budget Grant following the Government's decision to delete this. It was noted that the grant by Gwynedd Council extended further than the Government's grant, by funding uniforms for pupils in years 7, 8, 9, 10 and 11 rather than pupils in year 7 only.

However, once the Council had made this decision, the Government announced that the Pupils Development Grant now included an element of uniform for children in reception class - year 7 pupils. The funding would be available for children who receive free school meals and for looked after children. It was noted that the Council welcomed this decision from the Government and wanted to continue to fund uniforms for pupils in years 8, 9, 10 and 11.

It was highlighted that the Council had not yet received further information regarding grant terms and conditions, however, the information would be shared as soon as possible.

Resolved: To accept and note the above.

10. SERVICE LEVEL AGREEMENTS

Submitted - report by the Senior Education Resources Manager on the Service Level Agreements (SLA) for schools along with their responses and observations on various agreements.

Attention was drawn to the Grounds Maintenance SLA, and it was noted that this had a totally new form for 2018-21 and detailed accountancy work had been undertaken regarding the needs of each individual school and sent to the relevant schools. For 2018-19 the price of the Grounds Maintenance SLA corresponded to last year's price having added inflation. It was emphasised that they would have to look at re-modelling allocations for Grounds Maintenance to schools in the future in order that they better reflect individual grounds sites maintenance requirements.

It was highlighted that only 35 out of 86 primary schools and 6 out of 13 secondary schools had chosen the Grounds Maintenance SLA this year. If schools choose to go to another company to maintain the service, it was noted that it was important to ensure that the company followed specific guidance.

It was proposed to offer the SLA to schools earlier next year in order that schools can get more time to plan and ensure that it is operational from the 1st of April.

Resolved: To accept and note the contents of the report.

11. DATES OF MEETINGS FOR THE ACADEMIC YEAR 2018/19

RESOLVED: **The next meetings will take place:**

- (a) End of November 2018**
- (b) End of January / beginning of February 2019**
- (c) Mid June 2019**

Date to be determined by the Chair and the Forum's officers.

CHAIR