

EDUCATION SERVICE: MEETING OF CARDIFF SCHOOLS' BUDGET FORUM



Time: 8.30am – 10.30am
Date: 12th May 2021
Location: Microsoft Teams Invite

DRAFT AGENDA

| Ref | Item | Category | Lead |
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| 1 | Apologies & welcome to the SBF | Standing item | Chair |
| 2 | Minutes from previous meeting (17th March 2021) and matters arising: | Standing item (papers attached) | Chair |
| 3 | Working Groups - Delegated Budgets <ul style="list-style-type: none">• Terms of reference• Primary• Secondary• Special schools | Information and Discussion | Rob Green, Neil Hardee, |
| 4 | School Balances | Information and Discussion | Rob Green, Neil Hardee, |
| 5 | Redundancy, CNE, MSF, Asset Renewal | Information and Discussion | Rob Green |
| 6 | Any Other Business | Standing item | Chair |

Future meeting dates –

7th July 2021

EDUCATION DIRECTORATE

MINUTES OF THE MEETING OF CARDIFF SCHOOLS' BUDGET FORUM



Time: 8.30am – 10.30am
Date: 12th May 2021
Location: Microsoft Teams
Present: Karen Dell'Armi - Chair (KD), Cllr Sarah Merry, Cllr Chris Weaver, Mel Godfrey (MG), Cllr Joel Williams (JW), Mike Tate (MT), Rob Green (RG), Neil Hardee (NH), Angela Jardine (AJ), Andrew Skinner (AS), Nic Naish (NN), John Hayes (JH), Marc Belli (MB), Ivor Gittins (IG), Suzanne Williams (SW), Jane Setchfield (JS), Mari Phillips (MP), Adrian Dinsmore (AD), David Harris (DH), Jane Marchesi (JM), Kevin Hart (KH), Abigail Beacon (AB), Sarah Parry (SP), Catherine Power (CP), Wayne Murphy (WM), Louise Bloom – Clerk (LB)

Apologies: Ian Allwood (IA), David Silver (DS), Ann Griffin (AG), Sara Allen (SA)

| Ref | Conclusions/Actions | Who |
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| 1 | Apologies and welcome | |
| 1.1 | The Chair welcomed members and accepted apologies. | |
| 2 | Minutes of the previous meeting and matters arising | |
| 2.2 | The minutes of the meeting held on 17 th March 2021 were agreed as a true record. | |
| 2.3 | <p>Matters arising</p> <p>The Chair thanked officers for circulating additional papers following the meeting. MB noted WG are providing additional funds to schools to support administration of exams, funding up to £10,000 would be provided to larger schools. He will receive a further update later today. A survey recently released revealed over 75% of secondary schools believed examination fees should not be greater than 25%, previously 77% thought it would be comparable to last year. MB will send further information to LB.</p> <p>NH reported a decision on examination funding is pending. A short guidance paper, published by WG, detailed transition funding for Post 16 learners. Of this, £600,000 has been allocated to Cardiff. MT will share information at the secondary headteachers conference in the week. WG had advised a further £8m would be allocated for recovery and progression of Post 16 learners, further discussions will be held with secondary headteachers over the next two weeks. WG will liaise with a finance representative, head of 6th form and the Consortium to consider how funding would be distributed to LA's. An update will be shared once known.</p> <p>MT invited a secondary representative to link with transition funding, and</p> | MB |

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| | <p>represent the authority. A document on the expectations of transition funding will be shared at the secondary headteachers conference, different expectations are held from previous years. Administration and recording of activities would take place for the rest of the academic year, through the summer into September and November.</p> | |
| 3 | Working Groups – Delegated Budgets | |
| 3.1 | <p>Terms of Reference</p> <p>A final draft of Terms of Reference (ToR) was circulated to the forum. Task groups for each phase (primary, secondary and special) will be formed, meeting in the early autumn term.</p> <p>The working groups are being created to resolve any concerns schools may hold on the robustness of their indicative budget allocations and medium term financial plans. It was noted a number of key assumptions based on efficiency savings and pupil numbers, built into the Council’s Medium Term Financial Plan are not necessarily reflected in individual school budget plans. In addition to this, school balances across the sector are inconsistent and the use of surplus school balances at year-end to balance spending plans was not sustainable.</p> <p>NH outlined the tasks for the working groups. Mel Godfrey will lead on the primary working group, Mike Tate on the secondary working group and Richard Portas on the special schools working group.</p> <p>A paper will be brought to the SBF for further discussions by October 2021.</p> <p>In addition to the volunteer headteachers listed, KD, JH, MB and SP volunteered for the secondary working group. JS, SW and AJ volunteered for all of the groups (to attend on a rota basis). NN and AD volunteered for the primary working group. Members will source further Primary and Secondary representatives.</p> <p>The forum broadly agreed to the ToR and for the budget allocations/medium term plans to be analysed in the three phases, as each have their own dynamics. AJ recommended Early Years be included in the groups as they too experience challenge.</p> <p>One representative from each of the special schools is recommended for the special school working group. NH will email the schools following the meeting. Once working groups are finalised NH will email suggested dates (starting shortly after half term).</p> | NH |
| 4 | School Balances | |
| 4.1 | <p>RG outlined the position of school balances, drawing attention to disruption caused by COVID 19, reflecting in year-end net figure school balances doubling, with schools having little opportunity to spend WG grants of £9.796m. Therefore, the schools adjusted balances (after deducting the late allocation of WG grants) would be considered. Previously where schools had consistently held balances in excess of the locally agreed thresholds letters were issued to identify plans for the balance. After three years, a direction to spend would be issued followed by meetings with finance officers and</p> | |

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| | <p>clawbacks where appropriate. In light of the exceptional circumstances, officers and members are considering appropriate actions to take, if any, to address the surplus balances in the 2021/22 financial year. Schools have also claimed a significant amount from the WG hardship fund.</p> <p>The director recently had sent a letter to schools advising the position of school balances would be reviewed. A further letter will be sent to schools on the next steps, management of surplus balances may be paused for one year until schools are more settled and recovered from the changes imposed by Covid 19. Clawbacks withheld for schools may be extended for a short period past September 2021 to allow more leeway for the schools to stabilise their spending plans and budget, taking into account circumstances they face.</p> <p>AD noted pressures for primaries in the reduction of nursery places in the next couple of years and asked they be considered in the three-year plan. RG confirmed the issues would be explored further in the working group meetings.</p> <p>AB reported her school's surplus balance had been spent and the school was in danger of going into deficit. Schools with a high mobility rate were expecting pupils from overseas which had not materialised, affecting pupil numbers, budget and staffing levels. NH agreed sustainability and impact of schools delegated budgets, taking into account the size of schools and impact on smaller schools, would be considered.</p> | |
| 5 | Redundancy, CNE, MSF, Asset Renewal | |
| 5.1 | <p><u>Redundancy</u></p> <p>RG reported spend of £186,000 for redundancies and exits in 2020/21, a sizable underspend from the £1 million budget. Previously officers had indicated that £500,000 of the underspend would be used to offset pressures in the Education directorate budget due to uncertainties with the hardship fund. The hardship fund continued throughout the year and was able to offset income losses for education therefore; it has been retained within the school budget. Some of the underspend was utilised to offset other pressures emerging within the school budget however a sizeable amount will be carried forward in reserves.</p> | |
| 5.2 | <p><u>CNE</u></p> <p>RG noted £12,076,000 was delegated to schools for CNE. By the end of the year, the total value of CNE payments had increased to £14,440,000, reflecting in year payments between April 2020 and March 2021 of £2,364,000.</p> <p>A pooled budget of £1,400,000 was set aside to meet the cost of CNE payments during 2020/21. At year-end, the budget was overspent by £964,000, and was recovered from Primary and Secondary schools using the ALN formula weighted pupil number for each school as the apportionment basis. CNE continues to increase in demand.</p> | |
| 5.3 | <u>MSF</u> | |

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| | <p>RG reported historic liability has been repaid with £614,000 surplus now in the MSF reserve.</p> <p>Welsh Government hardship funds reimbursed some agency/cover costs in relation to COVID-related absence, this, combined with a reduced overall need to claim from the fund, and school closures during two national lockdowns resulted in an improved position in the fund balance.</p> <p>However, the final quarter of 2020/21 at year-end indicated £532,000 of costs were to be reimbursed prior to officer adjustments (subject to change).</p> <p>The current £614,000 projected surplus will be carried forward and used to provide for the final 2020/21 adjustments. Charges calculated for 2021/22 were based on a balanced year-end position leading to an increase in contribution rates.</p> <p>Schools were reminded of the need to ensure prompt returns to support accurate reporting throughout 2021/22.</p> | |
| 5.4 | <p><u>Asset Renewal</u></p> <p>RG noted the Capital Asset Renewal Scheme, which includes ALN works, suitability works and a budget for Whitchurch High School, has a net overspend of £245,000. The overspend includes receipt of £5.421m from WG for a Schools Maintenance Grant, along with £169,095 ICF funding and £155,000 corporate contributions from Cardiff Council. With slippage, this leaves £10,346,000 in 2021/22, a sizable increase on previous years. £13.88 million was spent in 2020/21.</p> <p>The rate of work completed has increased greatly, enabled in part by closure of schools. 91 schemes were undertaken in 2021 for security and safeguarding works.</p> | |
| 6 | Any Other Business | |
| 6.1 | The Chair thanked RG on behalf of the forum for his work with the forum and members wished him well in his new role. | |
| 6.2 | <p><u>Leasing</u></p> <p>RG reported a change of account regulations in leasing arrangements across the authority. A data collection exercise will be undertaken to establish leasing arrangements both with central services and schools, and would be required for the purpose of the annual Statement of Accounts. Schools will be given a template and guidance to list and collate the leasing arrangements they have in place and to confirm where none is held. The task will be carried out annually.</p> | |
| 6.3 | <p><u>MEAG</u></p> <p>NH reported that ten years ago Cardiff received £4 million from an all Wales MEAG grant of £8/9 million. As population increased in other authorities, funding was called to be redistributed. The LA funding grant settlement for</p> | |

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| | <p>this year has seen an increase from £10 million to £11 million, lessening the impact of redistribution to Cardiff and allocation remaining at a similar level.</p> <p>As Cardiff has seen a dispersal of MEAG pupils in schools across the city, the funding would be redistributed to individual schools. Responsibilities were delegated previously for grant monies and staff employed through the grant to five pilot schools (Secondaries - Fitzalan, Cathays, Primaries - Albany, Kitchener and Mount Stuart). The pilot worked well and was cascaded out. Four years previously, responsibilities were delegated for staffing funded by the grant to all schools. As more schools require support officers have worked with the pilot schools over the last six months to consider implications of change to the grant distribution across the city.</p> <p>A proportion of funding was allocated to a central team that covered a range of linked projects and supported new entrants to schools. The funding for this team will be reviewed.</p> <p>In financial year 2021/22 the method of distribution would be changed, looking at points allocation and weighted by FSM's to reflect where children are. Allocations would be changed and phased in over four years to lesson impact, commencing in September 2021. Special schools were not included in the changes and would be discussed separately.</p> <p>The Chair questioned whether the skill set of the central team differed to individual schools assessing their own needs and spend, particularly with in-year changes and ALN pupils. NH confirmed the team provide advice, guidance and support to schools; however some schools are disproportionately affected by mobility of pupils or the needs of incoming pupils changing the classroom dynamics. These issues would be discussed further in task group meetings.</p> <p>AJ encouraged the Council to look at training for individual schools to broaden experience and expertise from the central team. She recommended a dedicated budget stream to ensure the workforce is prepared.</p> | |
| 6.4 | <p>NN noted schools had not been reminded of the increase of cost to school meals which was paused last year, leading to issues with parents' payments. He requested schools be reminded of future increases and SBF notified, to enable schools to send letters to parents advising them of the changes. NH noted the request, the changes were agreed in 2020/21 but deferred due to Covid 19.</p> | |
| 6.5 | <p>KH asked if a response had been provided to the SBF letter on PDG allocation. RG noted PDG from WG is paid via the Consortium, he will follow up the query with Consortium colleagues. NH added that final confirmation of PDG allocation is pending.</p> | RG |
| 7 | Date of next meeting | |
| 7.1 | 7 th July 2021 | |