EDUCATION DIRECTORATE

MINUTES OF THE MEETING OF CARDIFF SCHOOLS' BUDGET FORUM

CARDIFF
CAERDYDD

Time: 8.30am – 10.30am
Date: 12th November 2025
Location: Microsoft Teams
Present: Vice Chair - Nic Naish (NN), Cllr Sarah Merry (SM), Cllr Chris Weaver (CW), Melanie Godfrey (MG), Helen Williams (HW), Ian Allwood (IA), Eifion Austin (EA), Angela Jardine (AJ), Nicola Price (NP), Paul Tucker (PT), Tim Adams (TA), Stuart Davies (SD), David Silver (DS), Wayne Murphy (WM), Sarah Parry (SP), Abigale Cuthbert (AC), Nick Alexander (NA), Suzanne Scarlett (SS), Matthew Evans (ME), Rachael Fisher (RF), Gareth James (GJ), Gareth Rein (GR), Carys Prytherch (CP), Ivor Gittins (IG), Rhodri Thomas (RT), Phil Norton (PN), Matt O'Brien (MOB), Brett Andrewartha (BA), Kelly Rowlands (KR), Education Management Clerk

Apologies: Chair – Andrew Skinner (AS), Marc Belli (MB), Gareth Davies (GD); Will Howlett (WH), Emma Richards (ER), Jennie Hughes (JH), Richard Portas (RP), Sarah-Marie Jones (SMJ), Alison Poole (AP), Phillip Andrews (PA), Diane Gill (DG), Alison Powell (AP), Cllr Joel Williams (JW), Suzanne Williams (SW), Patrick Brunnock (PB), Sara Allen (SA),

Ref	**Conclusions/Actions**	**Who**
1.0	**Apologies and welcome**	
1.1	The Chair welcomed members and accepted apologies.	
2.0	**Minutes of the previous meeting**	
2.1	The minutes of the previous meeting were approved as an accurate record.	
2.2	<u>Matters arising/actions from the previous meeting</u> 2.3 - A review on formula changes will be considered by SBF in January 2026. Clerk to add to the agenda. 6.2 - IA noted a refresh on pay assumption 2025/26 (recorded correctly in September's minutes). EA will provide new information on figures and assumptions in item four.	Clerk
3.0	**ALN**	
3.1	MG noted the LA is considering provision of ALN places and funding to support, drawing attention to the recently published Inclusion Strategy. The strategy includes a commitment to put in place specialist and ALN places, providing suitable provision for learners with ALNs. The Cabinet paper, deferred to December, articulates the current gap and proposed creation of additional places to meet needs, changes would impact funding packages.	

	EA undertook extensive financial modelling, to alleviate pressures on primary and secondary mainstream schools and reduce Out of County private provision (OOC) costs. The financial modelling identified a timeline for putting in additional places, seeking to reduce OOC numbers and costs to a sustainable level. SBF will be briefed (by exception) once the ALN proposal papers on citywide provision were set. MG will liaise with the Chair and deputy Chair over the forthcoming weeks.	
4.0	**Further Updates**	
4.1	<u>Teacher Pay Grant</u> EA noted the teacher pay award grant receipt was confirmed to individual schools. WG awarded £1.276m, based on the funding difference between the 3% funded teacher pay award in the local government settlement and 4% actual. As part of the Council's budget setting process, 3.5% teachers' pay award was assumed. Allocation to schools and actual costs of the teachers' pay award grant were reviewed. The grant received was circa twice the value of additional costs to schools than budgeted. Allocation will be proportionate to actual costs, with schools receiving 197% of the calculated actual cost of the teacher pay award grant (above 3.5% to 4%). The grant was distributed in full, in line with terms and conditions. Schools experienced financial benefit of circa £630k from the governor approved budget setting stage.	
4.2	<u>National Insurance Implications</u> Costs to schools were calculated and will be fully funded (100%) by a combination of the NI grant from WG and the pooled budget held in reserve for 2025/26 grant funding, with budget to be transferred to Formula in 2026/27. At budget setting, 85% was funded directly by budget with 15% from external income/grants. The benefit of the additional 15% to schools, circa £820k, will be credited to schools. Allocation to schools was based on the actual costs of NI implications (as October 2025). IA noted the amount provided to schools for the teacher's pay award and NI was more than required, a higher figure was assumed at budget setting in March, and cuts/adjustments were made elsewhere in the organisation. Although additional was provided on this occasion the authority cannot always commit to doing so. NN welcomed the additional funds, acknowledging this could not be guaranteed in future years.	
5.0	**SLAs**	

5.1	The cost of 2025/26 SLAs were confirmed to schools after being verified with the month six outturn position for the authority, ensuring neither over nor under recovery of SLA charges to schools. Some previous incremental drift between charges schools were receiving and amount detailed on the SLA document were noted. Early confirmation of SLA charges for 2026/27 will be provided, in line with budget setting process for schools and the authority and comparison with 2025/26 charges. Increased charges, reflecting pay awards transferred to the service area in prior years will transfer to the school formula (pay award inflation will be transferred to schools). Increased service demands from schools or provision will be communicated, in line with increased inflation and increased service provision, from the various services providing SLAs. GJ asked whether this would include organisations such as federations, with potential for SLAs to be shared. EA confirmed federations will receive a communication in advance explaining why they would/would not receive a SLA saving for the various services. EA noted increased transparency on SLAs, with assurance that charges were aligned with budgets and rationale of changes readily identifiable (timeline aligned with school budget setting). NN noted schools bought into SLAs via an online platform, however, not all SLAs were listed or provided in a timely manner, perhaps a better method could be used. EA and officers will consider options. Officers were reflecting on how to better share financial information with schools; SLAs will be included in this. A central repository of information will be developed rather than various pockets for heads. NN noted heads must access various platforms, amalgamation into one site would be welcomed. EA clarified presently scope was limited to financial information. IA confirmed he had requested his areas coordinate a repository, to include audit, LFM, accounts receivable and information governance.	
6.0	**Mid-year outturn position – month six**	
6.1	EA noted significant improvement in accumulative balance (£6m) in all sectors between governor approved budget and current month six outturn position, although significant in-year deficit accumulative balance of £2.2m and drawdown of £10.1m were anticipated. The improvement included: • Additional £630k teacher pay award grant • £820k NI • £915k over provision non-teacher pay award, settled at 3.2%, below the estimated 4.1% The aggregated value of deficit balances was expected to double in 2025/26. The number of deficit schools remained consistent from the governor approved budget stage. Some schools had moved out of deficit, and some moved into deficit.	

	The average deficit was £180k and total £9.7m Improved aggregate surplus balance (£7.5m) from governor approved budget (£4.4m), with a drawdown of circa £5.6m from year-end 2025 (£13.1m). NN expressed concern that circa 54 schools (43%) were projecting a deficit budget, although some positives were shown.	
7.0	**Schools in deficit position**	
7.1	EA noted the Council will commence a round of meetings with schools between late November and early February on deficit balances, to discuss the feasibility of setting a balanced medium term financial position and undertake medium term deficit balances forecasting. The meetings will require head and governor representation from the school, with finance and education directorate representation. To facilitate meaningful discussion, a survey is looked to be sent to each school, to gather information on financial pressures and proactive steps taken. The survey would be specific to each sector. Information would be gathered on pupil numbers, ALN, school balances and expenditure. Class sizes, agency spend, ALN pressures and restructure plans would also be questioned. Members were invited to put forward any other questions that would be beneficial to the exercise and invited to feedback their opinion on sending a survey to all schools to understand actions undertaken by schools in deficit and schools in surplus, to formulate deficit responses and learn from other schools how to set a balanced medium-term position. AC questioned the effect of reduced birth rates and potential claw back for some schools, capturing concerns from headteachers in the questionnaire and trends would be helpful. EA will include a data pack on a school-by-school basis. ME pointed out surveys were largely ignored and questioned how useful they would be in understanding how schools manage deficits/surplus. Staffing and leadership structures however were a large factor in driving school budgets. GJ urged being mindful on the time of year with planned MER activities when requesting meetings and time to complete a questionnaire. ME suggested conversations with a small set of schools on their experiences, more useful than a survey. When considering a restructure, HR hold little information on levels within a TLR range, the information would be valuable to secondary schools. IA confirmed modelling undertaken on birth rates, and surplus primary school places (17% in the medium term). He drew attention to a pressure survey with the WLGA across the twenty-two LAs, capturing where pressures/concerns were. EA is considering a similar survey for Cardiff schools. Officers will focus on support and data for areas pertinent to each school.	

	NA welcomed capturing information from surplus schools, all schools had to adjust, experiencing impact and making staffing changes i.e. reduction in TAs. He highlighted the importance of understanding impact on all schools, not just schools in deficit. CP noted Cardiff used to produce comparative benchmarking data from different types of schools in terms of costings, leadership structures, energy costs, with all cost centres broken down to understand how schools were managing and asked that this be reintroduced. Estyn had recommended benchmarking data, useful for financial procedures. EA confirmed it was feasible to produce bench marking data. ME echoed a benchmarking exercise would empower the governing body to ask more informed questions on financial matters. IA explained some matters would have to drop from the LFM offer due to capacity, school pressures and deficits. Bench marking would require a significant capacity from finance that would not be possible presently. There were likely different solutions for different sectors (special, primary and secondary), bench marking may be valuable for primary schools, less with secondary and special schools. The survey was suggested to be sent to all primary schools, as the sector has multiple contexts, different challenges, some environments that work for the school and some against. Information could more easily be collated on secondary and special schools following discussions (being fewer). CP noted the school was invited to talk to Estyn on LA procedures, every school present at the discussion group pointed out how useful benchmarking was, particularly for long term financial planning. Cardiff has reduced birth rates, schools were decreasing and under severe pressure, identifying how to save money would be helpful. She suggested, as heads set significant budgets and do not have a great deal of financial planning training, that heads meet to discuss how schools manage their budget, learn from each other and receive more financial training to improve expertise. IA welcomed the feedback, noting that regional benchmarking was undertaken previously, bringing substantial value comparing regionally/nationally. The authority will continue to lobby for this and would encourage schools to lobby within their own networks, conferences and regions. Officers can support any matters the primary sector/conference feel there is value to focus on. Suggestions will be put to a smaller group to understand where primaries would like focus for value. Benchmarking could target certain areas rather than the whole budget. EA reiterated surveys would be specific to each sector and school. The information informing how schools that were successful in not moving into deficit or had moved into deficit were structured, with similarities later analysed for the 2026/27 deficit and budget setting process. NN suggested being mindful of school time with venue/Teams meeting, recommending gathering qualitative information from surveys, with pertinent not overly prescriptive questions sent to all schools (not just those in deficit).	

	Setting a MTFP is difficult when schools do not receive medium term budgets, key information on funds/grants was missing with amounts varying annually, impacting agency spend. IA understood the pressures in schools, highlighting LAs do not receive medium term financial budgets, working with information as it is provided. There is still a commitment towards medium term budgets for LAs, when received and proven it would be extended to schools. NN pointed out some schools holding budgets may be showing prudence in preparation for unknown circumstances and uncertainty may hinder schools in deficits. Financial circumstances in schools were fluid.		
8.0	**Formula Review**		
8.1	EA noted much work undertaken, impacting school finances and funding settlement. Current assumptions were: • No additional budget allocation to the Formula to facilitate any changes to the formula. • No changes in funding between Primary and Secondary to facilitate the changes <u>AWPU/ Lump Sums</u> • Broad agreement reached that lump sums for primary schools need to be changed, not for secondaries. • Discussion held with primary heads on balance of lump sum and AWPU. • A greater piece of work on AWPU required for future years. • Whether Lump Sum should be the same for primary and secondaries was questioned. • Significant changes to AWPU in 2026/27 were not anticipated, changes would cause volatility, particularly with expected funding settlements. NN suggested EA and IA provide figures in example formats. EA sought to agree in principle today, providing clarity at a later date, he will brief LFM officers to provide advice and information to schools. <u>ALN Funding</u> • An Inclusions Strategy (teacher orientated) implementation plan is being worked through (budgetary impact in 2026/27 currently unknown). • The ALN Formula would be adjusted incrementally. • Adjusting weighting within primary and secondary to reflect needs and costs of pupils was suggested. • Whether there should there be a greater weighting adjustment for certain ages – early years in primary/year seven in secondary to ensure smooth transition was questioned. AJ encouraged support in Early Years investment, particularly ALN. Noting a whole raft of research and evidence that intervening early, with increased funding to early years ALN provision, has positive cost benefit analysis, benefitting beyond the		

school and pupil with societal changes, lessening costs to all aspects of provision i.e. social services, policing and youth justice. The focused funding is preventative, although greater investment is needed earlier.

EA will feed into the Formula following conclusion of the ALN strategy.

EA questioned whether uncertainty in Early years should be reflected in school budgets, to set a realistic budget and respond to changes during the year. NN agreed, communication from pre-school to Early Years schools sometimes lacks the information required to support adequately. Work was suggested on information sharing/transference, to improve transition from Flying Start to school-based services. Members broadly agreed, others pointed out it would reduce funding elsewhere.

RT suggested also looking at transition funding for year 11, ensuring transition to next steps to prevent NEETS (more costly).

EA questioned funding adjustment for specific needs at particular ages to reflect cost of provision, secondaries had fed back that BESD/EHW costs may be greater than other ALN costs and Early years ALNs may be more costly in primaries, due to building initial communication.

CP held the view Early Years weighting was crucial, having ability to react to needs and support required within a school year was essential, especially for schools with a high percentage of transitional pupils. Receiving additional funding for support was difficult.

NP pointed out more complex pupils frequently present with multifaceted needs.

RF noted difficulty in attaching weighting to specific needs when an official diagnosis was not in place until aged eight or nine. Waiting lists for neurodiversity confirmation makes this difficult to judge.

NN pointed out the question was challenging to answer and echoed points made, many complex pupils having multiple needs. Work is being undertaken on equalising provision, identifying standard expectations for all schools and additionality. He urged reviewing carefully before making assumptions.

The primary heads conference had raised that approximately twenty schools received variable additional funding for needs in schools this year, without clear reason why others experiencing difficulties were refused. Feedback was requested prior to the next primary conference (5th December). Individual and collective surveys on deficits/budget settings were suggested to be sent to primary heads, for completion at the conference and collective feedback.

GR noted an email sent to the LA Inclusion team following the heads conference questioning the additional funding, receiving a response that schools in deficit or facing deficit received the additional funding. He raised concerns equity and fairness across schools was lacking, schools had chosen not to increase staffing, to avoid moving into deficit, but had not received the support requested.

MG explained decisions on additional funds were not taken lightly by the LA. The authority has a pressed budget, requiring efficiencies. Deficit was not the only

	consideration for providing additional to schools; the needs of the school, health and safety/safeguarding risks and prioritisation were key deciding factors. IA reiterated the deficit protocol, financial position, and additional required to mitigate individual circumstances with overriding safeguarding issues. GR reiterated lack of parity with schools making staffing decisions, based on educational provision, H&S and safeguarding at the start of the start of the year, when setting a budget, but later unable to access funding because the school was not facing a deficit position. Schools that had made poor choices, moving them into deficit were later able to access additional funding for safeguarding. IA did not acknowledge inequity, explaining heads were not fully informed on other school's details to determine whether equitable or not. Finance does not override educational outcomes. Pupils needing additional support could not be failed. Schools were recommended to discuss matters in conferences, share knowledge constructively, support peer-to-peer (heads with heads and CoGs with CoGs) to ensure they were delivering effectively. Each deficit application has been challenged, significantly reduced or refused. Officers continue to consider financial viability of schools, challenge and pushback on deficit. GR accepted the point. NN explained the matter was raised at a primary heads conference and recommended communication to primary heads for transparency. MG gave assurance schools can approach the LA for support where intervention is needed, and confidentiality is respected. Discussions were held with schools with extenuated circumstances and a balanced position, asking to move into deficit, to address emerging issues since the budget was set. EA added solutions were not always financial, inclusion staff offered greater support, flexibility is required. Specialist places are looked to be increased and improved information gathered via a survey. Greater conversations will be held with surplus schools. The Formula will be reviewed, building capacity for September unknowns, eliminating uncertainties where possible, seeking to operate systemically. NN concluded although funding would not increase, most effective use was being reconsidered, a significant piece of work with strands reaching/impacting many areas. Caution/prudence was urged on how changed and by how much.	
9.0	**SAO Funding** *Financial planning/implementation*	
9.1	PN noted: • The one remaining portion of money will soon be allocated • Different models were discussed at primary and secondary conferences • It was decided to proceed on a cluster-by-cluster basis (mixture across the city of secondaries leading the primary school clusters and various splits) • SLAs will be reviewed annually	

	• Some schools had not used their funding for school attendance officers to date. The EWS are keen to induct the SAOs and provide training when appointed • Questions were invited PT noted challenge within the cluster on SAOs. Previously high schools received the funding and managed SAOs, now funding was split between primary and secondary with TUPE complications transferring the SAO to the primary sector. PT and PN will discuss outside of the meeting.	
10.0	**Ed Tech/IT 2026/27**	
10.1	MOB gave the following update on EdTech: • An assumed agreed position for all schools in financial year 2025/26 with a five-year commitment. • Digital stakeholders feedback had requested a more in-depth review of ICT support and management services options, for schools to consider reductions. • A letter from the director of Education set out a review for efficiencies, ensuring cost effectiveness (optimising/lowering IT service buy-in for schools) • The focus of the review would be on pupil devices and third party support. • A report setting out options and cost savings for various levels of IT support will be provided in early January 2026. • Associated potential risks will be evaluated (i.e. lower quality support/different models at schools, linking back to the central service) before making recommendations. Ensuring robustness with areas such as internet, audit and cybersecurity • Third party support would be retendered following decision on requirements. NN noted discussion at the digital stakeholders group. Clarity was requested on the percentage figure proposal increase, in relation to top slice and actual costs for schools. MO'B noted the figures were modelled on a small, medium and large primary school, representation was not exact to all. The three models (not named individual schools) were shared with all schools. NN requested clarity, with a breakdown on each of the three levels of service options, to enable school governors to compare with other services and understand whether there was a better value option. MO'B will collate the information and provide a report in January, pointing out reduced costs if the third-party service support was not bought into collectively, outsourced schools would reduce cost savings centrally. NN noted some schools had received hardware above other schools, with the school noting at the primary heads conference they had put a good case forward to receive the additionality. MO'B explained a communication will be circulated to schools today for schools with staff predominately delivering PPA/full time nurture provision as their substantive role (in place of a teacher), to log a ticket if they required ICT equipment.	

	NN noted schools with special resource bases had not received the equipment for their HLTAs teaching the provision, covering for teachers. MO'B confirmed funding of adequate IT provision in SRBs moving forward will be discussed with Inclusion, additional provision should be provided for the staff when set up. NN thanked members for their input.	
11.0	**Any Other Business**	
11.1	None raised	
12.0	**Summary of actions**	
12.1	**1.** A review on formula changes will be considered by SBF in January 2026. Clerk to add to the agenda	

Acronym Reference

ADEW	Association of Directors of Education in Wales
ALN	Additional Learning Needs
ALP	Additional Learning Programme
AWPU	Average Weighted Pupil Unit
BESD	Behavioural, Emotional and Social Difficulties
BSR	Budget Strategy Report
SBF	School Budget Forum
CC	Cardiff Council
CCHF/HF	Cardiff Council Hardship Fund/ Hardship Fund
CNE	Complex Needs Enhancement
CoC	Chair of Conferences
CoG	Chair of Governors
CSC	Central South Consortium
CT	Council Tax
DSB	Delegated School Budget
EHW	Emotional Health and Well-being
EOTAS	Education Other Than at School
EIG	Education Improvement Grant
FP	Financial Plan
FS	Financial Services
FSM	Free School Meals
FY	Financial Year
HR	Human Resources
LA	Local Authority
LAS	Local Authority Settlement
LFMO	Local Financial Management Officer
LG	Local Government
LGHF	Local Government Hardship Fund
MEAG	Minority Ethnic & Gypsy, Roma & Traveller Learners
MSF	Mutual Supply Fund
MTBS	Medium Term Budget Strategy
MTFB	Medium Term Financial Budgets
MTFM	Medium Term Financial Management
MTFP	Medium Term Financial Plan

This document is available in Welsh / Mae'r ddogfen hon ar gael yn Gymraeg

NI	National Insurance
NoR	Numbers on Roll
PA	Pay Award
PL	Professional Learning
PDG	Pupil Deprivation Grant
PLG	Professional Learning Grant
Q_	Quarter_ (number relating to)
RLW	Real Living Wage
RSG	Revenue Support Grant
SAO	School Attendance Officer
SB	School Balance
SBF	School Budget Forum
SEN	Special Education Needs
SLA	Service Level Agreement
SOP	School Organisation Programme
SRB	Special Resource Base
TU	Trade Union
UFSM	Universal Free School Meals
WG	Welsh Government

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