

**DIRECTORATE OF LEARNING AND DEVELOPMENT**

**Budget Forum**

**Wednesday 15th March 2017**

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| **ATTENDEES:** | Russell Bailey, Carole Brown, Vince Browne, Cllr. Lis Burnett, Norman Craggs, Tyrone Davies, Dave Dimmick, Tim Exell, Mari Gibbs, Stephen Grech, Jonathan Hicks, Ceri Hoffrock, Kelvin Law, Alec Lewis, Audrey Males, Cllr. Bob Penrose, Hywel Price, Also in attendance: Cllr. Neil Moore, Trevor Baker, Rachel Boucher, Nicola Monckton |
| **APOLOGIES:** | Samantha Daniels, Paula Ham, Janet Haywood, Martin Price |

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| **ITEM** | **ISSUE** | **DISCUSSION**  | **ACTION REQUIRED** |
| 1. | Welcome & Apologies |  |  |
| 2. | MinutesMatters arising | Agreed**Catering delegation** – CT has met with clusters and headteachers to consult on the catering proposals which will be added to the next budget forum agenda. CT will be invited to attend.**ICT Loan** In response to concerns from the budget forum, the ICT loan conditions have been updated and all schools will be charged the same level for loan administration (2%) whether they purchase the ICT SLA or not.**VAT on lettings** The Vale’s VAT accountant has advised that the letting of sports pitches for block bookings of 10 weeks or more is exempt from VAT; but lettings for less than ten weeks are subject to VAT. NM to establish whether the ten weeks must be consecutive and whether breaks for school half term holidays will have an impact on the requirement to charge VAT. **SEWSCAP** – TB confirmed that there is only a requirement to use the SEWSCAP framework for capital works of over £1.5M and that the Vale would not be enforcing a blanket adoption of SEWSCAP for smaller projects below this threshold) | NM/CTNM |
| 3. | Final Revenue Proposals for 2017/18 | NM presented the 2017/18 Final Revenue proposals to the forum.It was noted that the local authority has funded the education budget at £3M above SSA.The schools Budget has been awarded growth of £874,000 but there are transfers out of the mainstream budget amounting to £623k as follows* £250k apprenticeship levy
* £78k reshaping services savings
* £43k EWC fees
* £127k Increase in pupils not educated at schools (EOTAS)
* £125k transfer to special formula

There are an additional 464 pupils in the 2017/18 mainstream funding formula, however as the local authority have already funded education at £3M above SSA, the LA has been unable to provide sufficient growth to fund the full impact of demographic growth in addition to the full cost of inflation and pay awards. Schools will therefore be faced with another difficult year balancing budgets.The forum accepted that the LA had allocated as much funding as possible to education within a limited council budget. Education and social services are both funded well above SSA and as a result, other services are funded below SSA already. It was noted that the forum would like to understand the WG formula and how an authority can be funded at £3Million above SSA whilst schools are ranked at 22nd with regards to funding per pupil across Wales. NM to establish how many authorities are funding education above SSA and how they are ranked with regards to pupil funding.It was noted that primary colleagues KL and CH are finding it difficult to fund one teacher in front of every 30 pupils, and meet foundation phase recommended ratios without ending in a deficit. NM to feed back to the forum how many schools are finding it difficult to balance budgets.VB to write to Kirsty Williams on behalf of the budget forum to raise concerns and identify specific budget pressures that schools are facing. NM to assist.  | NMNMVB and NM |
| 4. | 2017/18 Final capital Proposals | NM presented the 2017/18 final capital proposals cabinet report to the forum.The capital programme includes an investment of £77M in schools over the next five years providing that Welsh Government 21st century grant funding can be secured. It was noted that there are still a number of primary school buildings that are in a poor condition. CH confirmed that St David’s primary school is struggling to insure the school due to the state of the building. |  |
| 5. | Mainstream Funding Formula for 2017/18 | NM presented the final 2017/18 funding formula to the forum. The formula has been reviewed over the last 12 months by members of the budget forum and wider headteacher groups who have worked together to arrive at the new formula.The formula will continue to be reviewed in order to remain relevant and will remain on the Budget Forum programme of work. Budget forum members have been asked to read the documents and email Nicola Monckton with areas they believe should be reviewed again in the 2017/18 financial year ready for the 2018/19 school budgets. One of the items already raised by primary colleagues is the value within the formula of the average teaching salary in Primary and Secondary Schools.  | All |
| 6. | Special School Funding Formula for 2017/18 | NM presented the special school funding formula to the forum. The old formula has been reviewed by a working group over the last 12 months who identified that it was no longer relevant or fit for use. The new formula is based on the banding of pupils based on need, rather than their condition.The budget forum raised concerns that the special school formula is driven by need whereas the mainstream formula is driven by budget. There is only one overall school budget and increases to the special school budget can only be funded from reducing the mainstream budget. It was noted that the forum did not think it was appropriate to plan to continue to fund increases to the special school budget by cutting the mainstream budget.VB to include the cost of financial pressures faced by the special school and the financial impact of the demographic growth of pupils with high levels of ALN in the letter to Kirsty Williams. | VB |
| 7. | Grants update - EIG and PDG | NM presented the central south consortium agreed principles for the EIG grant to the forum. The overall grant has been cut by 0.62% but the Vale is unlikely to see a drop in funding overall as vale budgets have been topsliced over the last two years to fund protection in other authorities. This protection has been reduced to half in the 17/18 proposals and will be reduced to nil in the 2018/19 financial year.Final grants will be awarded on Friday 17th March. The consortium will write to schools individually with allocations, NM to advise schools if she receives notice of funding in advance via email.It was noted that it is difficult for schools to plan budgets without the final figures for grants; but that the WG had delayed sending the information to the consortium. |  |
| 8. | AOB | Paula Ham has been appointed as the Director of Learning and Skills.Mike Glavin has been appointed as the Director of the Consortium.NC has raised issues regarding the transfer of school meal debt to schools. NC has advised that schools cannot refuse to supply a child with a meal in the event that they had not paid for it. TB and CT to provide debt recovery tools to schools to ensure that debts are not able to build up.The appointment of the Chair and Vice Chair for the 2017/18 financial year will take place at the next meeting. Members to forward nominations to Nicola Monckton prior to the meeting. | TBAll |
| 9. | Next Meeting date | Next meetings to be held at Llantwit Major Comprehensive School at 8.30amWednesday 17th May 2017 |  |