

4.	Budget Forum Membership	<p>Cllr. Emma Goodjohn who was previously representing the Learning and Culture Scrutiny Committee is no longer a member of budget forum.</p> <p>The Council scrutiny Committees have been reorganised, and Education now falls under the “Starts Well” scrutiny Committee. LL to prepare a report to establish a representative from the new committee.</p> <p>Mairead Canavan is not longer on the Budget forum representing the NEU. A new representative will be at the September meeting.</p>	LL
5.	School balances at 31 st March 2025	<p>NM presented the summary of individual school balances from March 2019 to March 2025.</p> <p>NM advised that prior to 2019, school balances would hover between £2M and £3M.</p> <p>In March 2020, school balances dipped to a net surplus of just £839k. At this point it was envisaged that schools would go into an overall deficit position the following year (20/21) and the trajectory was that this deficit would continue to grow from that point.</p> <p>However, the additional funding received from Covid related grants over the next few years, put schools into a positive reserve position with reserves as high as £12.7M in March 2022. The additional covid funding led to a distorted view of the healthiness of schools funding until balances started to recede again.</p> <p>Since March 2022, school balances have been steadily decreasing, as schools have been requiring to draw down from reserves to balance in-year budgets.</p> <p>The position at the end of March 2025, was that schools were in an overall deficit position of £4.1M. This position was more favourable than the November projection of a £10M deficit due to vast amounts of WG grant funding over the latter months of the year. The true deficit position without one-off grant funding is then much worse than the £4.1M outturn.</p>	

This is the first time that Vale of Glamorgan schools have been in an overall deficit position.

28 schools (or 53% of schools) ended the 2024/25 financial year in a deficit position with total deficits amounting to £8.1M. 25 schools (or 47% of schools) ended the 2024/25 financial year in a surplus position with surplus balances totalling £4M.

The overall deficit of £4.1M is just under 8% of the schools budget share for 24/25.

DB advised that he and MP had been trying to raise awareness of the situation with WG. The issue is not with the way the council funding is shared within the Vale of Glamorgan, but that the size of the overall budget is not sufficient for all Vale of Glamorgan Schools. Despite much lobbying, WG will not change the funding distribution methodology for local authorities.

MP advised that the new scrutiny committee Chair requested budget forum attend scrutiny in July, to present the situation on school budgets and balances to the new scrutiny members. This could be used as an opportunity to raise awareness of the budget situation to members and the press.

EJ advised that there are already separate closed-door task and finish groups planned for scrutiny and cabinet members, without the press involved which would be more beneficial to the budget forum. The task and finish groups already established are to look at the following areas

- School transport
- ALN
- School budgets and balances

The forum agreed to move forward with the task and finish group rather than a slot on the July scrutiny meeting. TB reminded the group that there are HT vacancies on the scrutiny committee.

TB advised that he had been collecting benchmarking data on schools in the Vale of Glamorgan with regards to

		staffing levels and will next be looking at gathering information from other local authorities. This data may help schools make decisions with regards to establishment planning. TB will share this data at the next meeting.	TB
6.	Mainstream Schools funding formula	<p>NM presented the 2025/26 Mainstream school's funding formula to the forum.</p> <p>Total growth of £12.328M was awarded to schools of which £9.5M went into the mainstream sector and the rest went into the special sector. Total growth awarded was to fund the increase in national insurance and teachers pension contributions, in addition to pay inflation.</p> <p>The overall schools' budget was reduced for efficiency savings of £1.2M and a demographic decrease of £644k in respect of reducing pupil numbers in the primary sector.</p>	
7.	Special school funding formula 2025/26	<p>NM presented the 2025/26 Special school funding formula to the forum.</p> <p>This £20M budget covers the Y Deri special school in addition to other ALN provision delegated to Y Deri including Derw Newydd, Hafan, Horizon, the Early Intervention base, St Jospeh's special resource base and the engagement service.</p> <p>Rather than driven by an Age weighted pupil unit, the pupil led funding within the Y Deri formula is driven by pupil bands A to E, with bands based on required level of need per pupil in terms of ratios for teachers and LSAs.</p>	
8.	Grants update	<p>NM presented a document to the forum regarding school grants for the 2025/26 financial year.</p> <p>Schools have been informed of any grant notifications received to date and the Schools Finance Support Offices have included all known grants within school budgets.</p> <p>In previous years, Welsh Government has made available additional grant funding in the latter half of the year. Schools will be advised as soon as any further notifications are received.</p>	

9.	Budget Forum programme of work 2025/26	<p>The following two items are on the 2025/26 programme of work</p> <ul style="list-style-type: none"> • Review of the special school funding formula • Review of the mainstream school funding formula <p>Special school formula review – EJ and TB advised that work has commenced on this review. An update will be brought to future meetings</p> <p>Mainstream schools review – A sub-group of the forum will be established to meet to review the current formula focussing on the following two areas</p> <ul style="list-style-type: none"> • Pupil number data • Pupil to teaching ratios <p>NM to email budget forum to establish a group of volunteers.</p>	NM
10.	Any Other Business	<p>Teachers Pay Award for September 2025 – The Independent Welsh Pay Review Body (IWPRB) has recommended a pay increase for Teachers of 4.8%. Welsh Government has heard the importance of pay increases being funded and is unable to accept the 4.8% recommended. WG is instead proposing an increase of 4% with further funding from WG to Local Authorities to meet the additional costs of this award.</p> <p>A consultation has now commenced on the School Teachers’ Pay and Conditions document for 2025. EJ reminded the forum that the consultation also includes paying all ALNCOs on the senior leadership scale.</p> <p>RAJ requested that the teachers’ pay grant is allocated on the precise increased cost per school, rather than a formula based on teachers and pupil numbers.</p> <p>NM advised that if the grant were allocated in this way, the allocation would need to take into account the post 16 grant increase awarded for teachers pay, to deduct this from secondary allocations to ensure a fair distribution.</p> <p>The allocation method of the teachers pay grant is to be determined at the next budget forum, NM/CT will model both ways using last years grant allocation to assist a decision.</p>	NM/CT

		<p>RAJ challenged the statement that the pay award is fully funded as increases in staffing costs at Ysgol Bro Morgannwg far outweigh any budget growth.</p> <p>NM advised that only the pay award for non-grant funded staff is met through council growth and that following staff costs are not met within the funding formula</p> <ul style="list-style-type: none"> • Pay awards for grant funded staff. • Incremental rises. • Increasing the number of staff on the establishment. <p>Furthermore, NM advised that the net increase to each schools budget is impacted by a number of other factors including the council efficiency savings cut from the schools budget (£1.2M this year on top of the £2.75M already in the budget), the demographic adjustment (a decrease of £644k this year) and increased costs in other delegated budget areas such as ALN. The formula per school is then also impacted by each schools pupil numbers and projections. To compare fully, the whole picture must be taken into consideration. The overall net increase /or decrease per school is not just in relation to the pay award.</p>	
11.	Meeting dates for 2025/26	<p>24th September 2025 9.30am – Ysgol Bro Morgannwg</p> <p>3rd December 2025, 9.30am – Stanwell school</p> <p>March meeting – TBC at the next meeting</p>	DB