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**SCHOOLS' BUDGET FORUM**  
**Minutes of a meeting held at the Former St Mary's**  
**Church, Tremadog**  
**on 25 June 2013 from 9.00 a.m. until 11.30 a.m.**

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**Present:**

**Cabinet Members:** Councillor Siân Gwenllian (Education)  
Councillor Peredur Jenkins (Resources)

**School Heads:** Mr Gwyn Howells (Ysgol y Gelli), Mrs Sianelen Pleming (Ysgol Llanaelhaearn), Mrs Iona Jones (Ysgol Bro Cynfal/Edmwnd Prys), Mrs Esme Spencer (Ysgol Baladeulyn), Mrs Menna Wynne Pugh (Ysgol Penybryn, Tywyn) and Mrs Donna Rees Roberts (Ysgol Pendalar/Hafod Lon).

**Governors:** Mr Godfrey Northam (Primary Sector)  
Mr Gwynne Pierce (Primary Sector)

**Officers:** Mr Dewi Jones (Head of Education)  
Mr Hefin Owen (Development Finance Manager)  
Mr Owen Owens (Senior Manager Education)  
Mrs Glynda O'Brien (Members and Scrutiny Support Officer)

**Apologies:** Mr Harry Thomas (Chief Executive), Mr Iwan Trefor Jones (Corporate Director), Mr Dilwyn Williams (Corporate Director), Mr Vaughan Williams (Ysgol Syr Hugh Owen), Mr Emyr Hughes (Ysgol Dyffryn Nantlle), Mr Dylan Roberts (Ysgol Cymerau), Rev. Robert Townsend (Church Schools).

**1. ELECTION OF CHAIR**

**Resolved: To re-elect Mr Godfrey Northam as Chairman of the Schools' Budget Forum for 2013/14.**

**2. ELECTION OF VICE-CHAIR**

**Resolved: To re-elect Councillor Siân Gwenllian as Vice-chair of the Schools' Budget Forum for 2013/14.**

**3. WELCOME**

The Chairman welcomed Mrs Donna Rees Roberts, Head of Pendalar and Hafod Lon schools, to her first meeting of the Forum as a successor to Mr Ieuan Roberts.

4. **DECLARATION OF PERSONAL INTEREST**

Mr Hefin Owen, Development Finance Manager, declared an interest in relation to issues concerning Ysgol Syr Hugh Owen, as his wife was Chair of the Governing Body of that school.

5. **MINUTES**

The Chair signed the minutes of the meeting of the Schools' Budget Forum held on 4 February 2013 as a true record.

6. **MATTERS ARISING FROM THE MINUTES**

**(a) Item 3 (a) – Reviewing the Secondary Formula**

The Development Finance Manager reported that a meeting of the Secondary Formula Review Group would be arranged soon, ideally before the end of this term, or at the start of next term.

**Resolved: To accept and note the above.**

**(b) Item 5 – Funding Special Schools**

(i) The Head of Education reported that the decision of the Schools' Budget Forum at its last meeting had received the approval of the Council's Cabinet to invest additional funding in Ysgol Pendalar and Ysgol Hafod Lon.

(ii) The Head teacher of Ysgol Pendalar/Ysgol Hafod Lon reported that plans were on going and the Council had identified a site to develop a Special Education Excellence Centre of the highest order for the County with funding earmarked through resources from the Programme for Schools in the Twenty First Century. The next step was to provide a business plan.

**Resolved: To accept and note the above.**

**(c) Item 6 – Distribution of School Re-organisation Savings**

The Head of Education reported that the Council Cabinet had approved Option 2 in accordance with the recommendation of the Schools' Budget Forum at its last meeting namely to

“distribute the £200,000 of the savings in the schools re-organisation field in the catchment areas of Tywyn and Berwyn which will be implemented on 1 September 2013 to the 98 primary schools that will exist in Gwynedd at the time as follows:

- (i) Distribute £98,000 by removing the line “KS2 Scheme to support large classes” that distributes £1,000 to every school in order to remove the contribution. (This will not reduce the budget to support large KS2 classes)
- (ii) Distribute £102,000 based on the number of pupils who are entitled to free school meals (via the Additional Learning Needs and Deprivation heading)”

**Resolved: To accept and note the above.**

**(ch) Item 7 - Primary Schools' Allocation Formula Review**

(i) The Senior Education Manager reported that the Task Group had given consideration to issues stemming from the consultation on the review of the primary schools allocation formula and the following issues were receiving further attention:

- (a) Deprivation – if the element of deprivation within the formula was to be strengthened additional resources should be received from whatever resources available such as school re-organisation savings.
- (b) Include the Headings of Assistants and Teacher Allowances separately – it was agreed to investigate this further and Mr John Roberts had agreed to undertake this work.
- (c) Supervision Time – a range of different methods would be discussed at the next Task Group meeting.
- (d) Foundation Phase Grant – different models would be presented

(ii) In response to the above, the Education Cabinet Member noted that the priority was to support vulnerable pupils, however, she did not anticipate that there would be additional financial sources available. It was interesting to note that the Task Group had no opinion on how to reduce balances and could not the balances be used to strengthen the requirements of deprivation.

(iii) A Head teacher noted that the Task Group felt that it was not their role to deal with balances.

**Resolved: To accept and note the above.**

**(d) Item 10 – GwE Service Level Agreement**

(i) The Head of Education noted his concern that primary schools were not willing to sign the GwE Service Level Agreement as recommended at the previous meeting of the Schools Funding Forum and the GYDCA. Forum members were reminded that the agreement was equivalent to £250,000 and if schools did not agree to commit, it would be necessary for the education authority to reclaim the money out of last year's schools budget. It was understood that two authorities operated by retaining the schools improvement budget centrally.

(ii) The Chair added that he understood that the Secondary sector was also concerned about committing to the agreement.

**Resolved: To accept and note the above.**

**7. FINAL ACCOUNTS 2012/13**

Submitted the Head of Education's report outlining the accounts together with observations on the balances and the monitoring procedure.

(a) The Development Finance Manager referred to the **monitoring procedure** and noted that schools had been asked to establish budgets by the end of May and by so doing they state that they commit £1,953,915 of balances when establishing the budget, which lead to the initial aim that balances were reduced to £2,414,521 at the end of the financial year. However, it was noted that the actual situation at the end of the financial year showed balances of £3,813,317 namely £1,398,796 more than the estimate. It was added that this was a historical pattern and that it was appropriate to find and understand the reasons for the increase and to this end some schools had been targeted in order to work with them and report back on the findings at the next Forum meeting in November 2013.

(b) In terms of the **balances**, reference was made to the operational system namely that the School Funding (Wales) Regulations 2010 gave the authority power when the surplus was over the threshold of £50,000 in the primary sector or £100,000 in the secondary and special schools sector. Members were reminded of the decisions of the Budget Forum and the Council's Board to operate above the £50,000/£100,000 threshold and use 8% of the allocation or whichever was the greatest. It was proposed to target some schools in order to ascertain the reasons for the increase in balances with the intention of reporting back to the Forum at its meeting in November. In the meantime, it was also trusted that a legal opinion would be received regarding the operational procedure and the legislation. Other authorities had also been contacted to find out what type of system they operated and specific reference was made to Wrexham Council who operate outside the legislation and every school had subscribed to retain balances up to the threshold of 5%.

It was suggested to the Forum that they should consider reviewing the previous decision regarding the percentage of 8% and that it should be reduced to 5%.

During the ensuing discussion the following points were highlighted:

- (i) It was understood that one secondary school operated on 2.5% and tried to retain balances of between 2.5% - 5%
- (ii) in the context of the general financial position, that the financial forecast for authorities in Wales was quite disastrous and changing arrangements of how to maintain Council services would have to be considered. The Finance Cabinet Member felt that there would be no sympathy with schools that retain balances over a specific percentage and that education authorities would have to take action.
- (iii) In response to the above, the Development Finance Manager explained that the authority could not act on balances under £50,000/£100,000 in accordance with the legislation. However, if the Forum resolved to act on the basis of a percentage of 5% (instead of £50k/£100k that were in the Regulations) every school would have to subscribe in order to implement this.
- (iv) It was noted that it was important that schools completed the questionnaire correctly regarding any balances over the threshold. It was felt that this was good practice.
- (v) Examples were given by individual Head teachers of savings that had doubled even following implementing the excess arrangements.
- (vi) In response to the above, the Development Finance Manager promised that he would conduct research into specific schools namely Ysgol y Gelli and the Schools of Bro Cynfal and Edmwnd Prys.

- (vii) In the context of Ysgol Penybryn, Tywyn, the Head teacher explained that it would not be possible to spend the balance as the money had been planned and was required for re-organisation arrangements in the area.
- (viii) In response, the Development Finance Manager explained that if schools had valid reasons for using the balances that the authority would not take money back.
- (ix) That the current arrangements were not sustainable and the system would have to change.
- (x) It was asked if it would be possible for schools to receive 3 year projected forecasts earlier.

Following a vote it was:

**Resolved: To request the Development Finance Manager during the next period**

- (a) Gives guidance to schools regarding balances over the threshold of 5%**
- (b) Uses the power to operate in accordance with legislation to take money back when schools had a surplus having set a budget over the £50,000 / £100,000 threshold**
- (c) Formally consults with schools to commit to establish a threshold of 5% or £50k/£100k whichever was the lesser.**

#### **8. SCHOOL EFFECTIVENESS GRANT, PUPILS DEPRIVATION GRANT, WELSH IN EDUCATION GRANT AND SECONDARY SCHOOLS BAND 4/5 GRANT**

The report of the Head of Education was submitted outlining the arrangements and financial sums to devolve the funding of the above grants and the liability associated with these.

The Head of Education reported that the Welsh Government guidance regarding the grants had been received extremely late. Members were guided through the contents of the report and noted that it will be a requirement for schools to claim the grants by completing the appropriate forms submitted to them during the week 1-5 July.

(a) SEG - it was noted that this was a grant to purchase training for numeracy, literacy and closing the gap. The authority was requested to devolve at least 75% of the grant this year. Attention was drawn to the fact that there had been a considerable change in requirements and the level of accountability this year and schools had to identify their needs be that specialist training within the catchment area. A grant was offered on the grounds of the number of pupils (60%), number of staff (20%) and the percentage of free school meals for each sector (20%). Schools were requested to present evidence of the expenditure together with the impact of any expenditure on the achievements of pupils.

In terms of In Service Training, the Head of Education noted that it was a matter for schools to organise this. It was suggested that every catchment area could identify leading specialisms within the catchment area to share good practice.

(b) PDG – It was noted that 100% of the allocation of this grant was devolved to schools on the basis of £450 per head to every pupil on the free school meals register during the PLASC census in January 2012.

- (c) Looked after children – It was noted that it will be a requirement to see exactly how many looked after children were in each school in order to allocate the sums.
- (d) Welsh Language Grant - It was noted that this grant was shared in accordance with the requirements of the strategic plan for Welsh.
- (dd) Secondary Schools Grant Band 4/5 – It was noted that a grant of £10,000 was allocated to the five secondary schools in Gwynedd within bands 4 and 5 to raise standards.

During the ensuing discussion the following points were highlighted:

- (i) It was felt that the funding should have been in place and operational since 1<sup>st</sup> April
- (ii) That it would be useful to receive examples of catchment area good practices and the outcomes on pupils' achievements.

**Resolved: To approve the allocations and the operational methods.**

## 9. SERVICE LEVEL AGREEMENTS

A report was presented by the Head of Education submitting the School Service Level Agreements.

The individual agreements were reported as follows:

(a) Maintenance of Secondary Schools – the Senior Education Officer reminded members that there was an extension to this agreement last year for a period of a year, however, a new agreement had been completed now and representatives of secondary head teachers had given their comments on this. In terms of changes, the new document was much simpler and in terms of specific responsibilities the only change was that the Council was responsible for funding the disposal of asbestos from floors when schools wished to have a new floor covering. Reference was made to one email address and one telephone number for enquiries that will simplify the process for Head teachers.

(b) The Cognition and Learning Team – the Head of Education noted that the agreement had been submitted to a meeting of GYDCA recently and the Forum's attention was drawn to the fact that if schools opted out of the agreement it was a requirement to undertake external monitoring work on the school in this field.

(c) Integration – It was requested that this agreement was extended for another year without changes.

(ch) Governors' Clerk – the Senior Education Officer noted that there was a request for authorities to establish a governors' clerk service to schools who required the service. There was not much demand for the service as the majority of schools already had a Governors Clerk. The agreement cost of £800 took into consideration employing a clerk and additional costs associated with advertising, training, administering clerk placements and organising supply clerks when running the central service.

**Resolved: To approve the above Service Level Agreements.**

**10. INCREASING DEVOLVEMENT**

A report was presented by the Head of Education regarding devolving additional services to schools.

The Development Finance Manager suggested that the Forum defer discussing the contents of the report as legal enquiries were currently on-going regarding the devolvement of central budgets.

**Resolved: To defer the consideration of the devolvement of more responsibilities to schools until legal clarification is received.**

**11. ANY OTHER BUSINESS – ROBERT HILL REPORT COMMISSIONED BY THE MINISTER FOR EDUCATION**

The Head of Education took the opportunity to draw attention to the contents of the above report commissioned by the Minister for Education. It was noted that the report was divided as follows:

1. Improving teaching and learning
2. Strengthening Leadership
3. Nurturing more of a partnership between schools
4. Improving the Accountability of the system
5. What are the options in terms of the school improvement field

There were a total of 182 different options within the document for consultation by 13 September 2013.

Examples of what was to be achieved were noted within the sub-sections of the report in the short and medium term.

<b>Short-term</b>	<b>Medium-term.</b>
Numeracy, Literacy Framework Tracking System Welsh Training Leaders	Increasing the schools that are identified as leader practitioners ESTYN inspections were being assessed How well do schools use grants
Establish Leadership Development Boards (across north Wales) – (power to commission the best schools to provide training)	Delegate a higher level of grants to schools who work via a federation
A clear trail to identify joint working via formal partnerships – sharing good practice	Allocation of capital funding via a federation

Establish a financial initiative to assist weak schools	Working with authorities to standardise an allocation formula
Delegate an allocation of Government grants to schools that are good or better without having to plan	
National template for a Service Level Agreement	
Continue with the banding system	
Inspect schools on a more commensurate basis – less notice 2/3 working days	Work with CBI Cymru to develop and identify individuals for recruitment
Dispose of approximately a third of local authority services	
Fund a Consortia directly Present a standard set of functions	

Schools' awareness of the contents of the report will be raised and to receive their observations. It was noted that a great deal of elements were already at work, however, it was necessary to go through the report in greater detail. The report will be submitted to the Cabinet in due course in order that the Council can respond formally.

**Resolved: To accept and note the above.**

**12. DATES OF NEXT MEETINGS**

**Resolved: To note the following dates for the next Forum meetings:**

**13 November 2013**

**5 February 2014**

**CHAIRMAN**