



# Complete Agenda

**Democratic Service**  
Swyddfa'r Cyngor  
CAERNARFON  
Gwynedd  
LL55 1SH

Meeting

**SCHOOLS FINANCE FORUM**

Date and Time

**2.00 pm, MONDAY, 4TH MARCH, 2019**

Location

**Ystafell Dwyryd, Penrhyndeudraeth**

Contact Point

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(DISTRIBUTED 22/02/19)

# SCHOOLS FINANCE FORUM

## MEMBERSHIP

### CABINET MEMBERS

Councillor Gareth Thomas (Education)  
Councillor Peredur Jenkins (Finance)

### CORPORATE DIRECTORS

Mr Iwan Trefor Jones

### HEAD OF FINANCE

Dafydd Edwards

### SECONDARY HEAD TEACHERS

Mr Dylan Davies – Ysgol Dyffryn Ogwen      Mr Dylan Minnice - Ysgol Botwnnog  
Mr Dewi Lake – Ysgol y Moelwyn              Mr Andrew Roberts - Ysgol y Berwyn

### PRIMARY HEAD TEACHERS

Mrs Iona Jones - Ysgol Edmwnd Prys/Bro Cynfal      Mr Trystan Larsen - Ysgol Rhostryfan  
Mrs Menna Wynne Pugh – Ysgol Penybryn              Mr Llion Williams – Ysgol y Garnedd  
Mr Alan Wynn Jones – Ysgol Nefyn                      Vacant Seat

### TEACHERS' UNIONS

Mr Neil Foden – Ysgol Friars

### GOVERNORS

Arfon  
Mr Godfrey Northam - Ysgol Dyffryn Ogwen  
Mr Edward Bleddyn Jones – Ysgol Tregarth a Bodfeurig

Meirionnydd  
Elen ap Gwilym - Ysgol Bro Tegid  
Awaiting Nomination – Secondary Schools' Governor

Dwyfor  
Mr Gwilym Jones, Ysgol Borthygest,  
Awaiting Nomination - Secondary Schools' Governor

### DIOCESE

Anest Gray Frazer

### CHURCH SCHOOLS

Owain Lemin Roberts (Ysgol Maesincla)

### SPECIAL SCHOOLS

Mrs Donna Roberts - Ysgol Hafod Lon

### Observers:

Mr Garem Jackson, Head of Education Service  
Mr Owen Owens, Senior Education Resources' Manager  
Mr Hefin Owen, Finance Manager Development Directorate  
Primary Head Teachers Federation Chair  
Mrs Alwen Watkin, Secondary Head Teachers Federation Chair

# **A G E N D A**

**1. APOLOGIES**

To receive apologies for absence.

**2. DECLARATION OF PERSONAL INTEREST**

To receive any declaration of personal interest.

**3. MINUTES**

4 - 7

To confirm the minutes of the previous meeting held on 19 November 2018  
(Copy attached)

**4. MATTERS ARISING FROM THE MINUTES**

**5. GWYNEDD COUNCIL BUDGET 2019/20 - SCHOOLS**

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To receive a report on the above by Dafydd L Edwards

**6. 2019/20 SCHOOL GRANTS**

to receive a verbal report on the above by Hefin Owen

**7. GROUND MAINTENANCE ALLOCATION AND SCHOOLS NETWORK ALLOCATION**

To receive a verbal report on the above by Owen Owens

**8. SERVICE LEVEL AGREEMENTS - GROUNDS MAINTENANCE**

To receive a verbal report on the above by Owen Owens

**9. ANY OTHER BUSINESS**

**10. DATE OF NEXT MEETING**

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**SCHOOLS' BUDGET FORUM**  
**Minutes of a meeting held at Ystafell Dwryd, Penrhyndeudraeth,**  
**on 19 November 2018 from 14.00 until 15.45.**

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**Present:**

**Mr Godfrey Northam - Chairman**

**Cabinet Members:** Councillor Gareth Thomas (Education)  
Councillor Peredur Jenkins (Resources)

**Head of Finance Department:** Dafydd Edwards

**School Headteachers:** Mr Dylan Minnice (Ysgol Botwnnog), Mr Dewi Lake (Ysgol y Moelwyn), Mrs Iona Jones (Ysgol Edmwnd Prys/Bro Cynfal), Mr Trystan Larsen (Ysgol Rhostryfan), Mrs Menna Wynne Pugh (Ysgol Penybryn), Mr Llion Williams (Ysgol y Garnedd)

**Teachers' Unions:** Neil Foden

**Governors:** Mr Edward Bleddyn Jones (Ysgol Tregarth and Bodfeurig), Mr Gwilym Jones (Ysgol Borthygest)

**Officers:** Owen Owens (Senior Manager Education Resources Services), Hefin Owen (Finance Manager), Einir Thomas (Senior Manager Additional Learning Needs), Annes Siôn (Member Support Officer).

## **1. APOLOGIES**

Apologies were received from Iwan Trefor Jones (Corporate Director), Garem Jackson (Head of Education), Anest Gray Frazer (The Diocese) and Elen ap Gwilym (Ysgol Bro Tegid Governor)

## **2. DECLARATION OF PERSONAL INTEREST**

There were no declarations of personal interest.

## **3. MINUTES**

The Chairman signed the minutes of the meeting of the Schools' Budget Forum held on 18 June 2018 as a true record.

## **4. MATTERS ARISING FROM THE MINUTES**

Item 7 - Final School Accounts 2017/18

It was noted that a group to discuss maturing the current primary school systems had not been established, however, this would be established prior to the next meeting.

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

## **5. DRAFT SETTLEMENT - GWYNEDD COUNCIL'S FINANCIAL STRATEGY 2019/20**

The Head of Finance presented the report and emphasised that the draft settlement issued by the Government was uncertain. It was stated that the settlement was currently in draft form and it was noted that with a new Welsh Government Leader then it may be modified. He elaborated and noted that there would be a funding gap of £14m by next year. The factors that contribute to the financial pressures by 2019/20 were outlined, including the Council's Grant Settlement -0.8%, pay agreement +2% and more for some, together with inflation remaining high, and the additional demand on social care services.

It was added that the Council had plans on how to address the gap in 2019/20. He expanded and noted that an increase in Council Tax of 4.8% or more was likely. It was noted that it was necessary to harvest the current savings schemes and prioritise additional savings schemes to ensure continuation of service. It was stated that there was additional pressure as a result of an increase in employers' contributions to teachers' pensions. Furthermore, whilst it was expected that the Government would address this gap, it was possible that the schools would have to cope with an element of this, if the Government funded all of the cost of £1.6m in 2019/20. It was added that the Cabinet was planning to pass on any money that would come to Gwynedd for teachers' pensions to schools.

The procedure was outlined for the budget / savings cycle that will be submitted to the Full Council on 7 March. The forecasts for Gwynedd schools were noted, and it was stated that there would be a full inflation addition, and some modifications such as suspended secondary savings, but there would be no new 'cut' in the Gwynedd schools budget by 2019/20. Attention was drawn to the likely forecasts of other counties, where cuts are currently threatened.

Observations arising from the discussion

- It was emphasised that it was a difficult situation for the Council, that the likelihood of no new cut by 2019/20 was quite generous, but it was explained that it would not be possible to guarantee this for the following years.
- The Cabinet Member for Education noted that following discussions in Cardiff, an undertaking had been made that money would be transferred to schools for Teachers' Pensions, however, finance for training and grants would be reduced.
- Pensions were discussed and it was noted that the money was currently in a reserve fund by the Chancellor of the Exchequer in the Westminster Government, however it was hoped that it would be allocated soon via Welsh Government and local authorities to schools.

## **6. GRANTS 2019/20**

**It was resolved to discuss Grants with item 8 - Forecasts 2019/20, 2020/21 and 2021/22.**

## **7. REVIEW OF ADDITIONAL LEARNING NEEDS AND INCLUSION**

The report was submitted by the Senior Additional Learning Needs Manager who noted that the situation in terms of overspending was critical. It was added that there was a significant increase in the number of children who receive support and that an external independent expert had been commissioned to investigate the overspend. It was added that the work of restructuring the Moderation Panel had been completed and a report on

ALN and Inclusion Data had been submitted to the external independent expert. It was stated that work had been done to review the guidelines.

It was added that following the submission of the Research Report, recommendations for actions to manage the situation would be identified.

Attention was drawn to the fact that the average number of hours per child per week had reduced slightly since 2015. It was stated that the increase in numbers had slowed down and there was a risk that they could rise again, but the department was not aware of the size of the risk. It was noted that there was an obvious increase in some areas and most often the children came from one sector namely Looked after children. It was added that the numbers who receive additional support was on the increase nationally.

It was stated that it was a difficult situation, specifically as the field was under pressure particularly regarding the transport of children. The Cabinet Member elaborated that it was hard to find additional funding and it was difficult to know where to go and to ensure a reduction in overspending.

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

## **8. FORECASTS 2019-20, 2020-21 AND 2021/22**

It was noted that forecasts did not usually come before the Budget Forum, however, as a result of the increase in Teachers' Pension they were being submitted. It was noted that although the Council would lose a grant of £1.3m again this year, it was added that it was intended that the council would fund wages inflation fully and this would cost the Council £1.8m. Attention was drawn to the forecasts and specifically the 6th Form Grant. It was stated that it appeared that there would not be a 'cash' cut in 2019/20, however, costs would increase by 5% and consequently it was a significant cut.

It was noted that no formal guidance had been given for the Education Improvement Grant thus far, but the forecast was based on an estimate of no 'cash' cut and an increase in real costs. However, it was added that the Learning Pathways schemes were not currently available.

The schools' appreciation of the forecasts produced by the Finance Department was noted.

It was suggested that there was a possibility that there would be a reduction in the budget for Language Centres, due to a reduction in a specific grant from Welsh Government, and that it would not be possible for the Council to compensate this sum. As a result, it was noted that restructuring was possible and that a discussion was being held with staff. It was emphasised that restructuring would not impair pupils' access to Language Centres. It was noted that there was a need for future quality assurance, as they were important within the county.

**Resolved:** To accept and note the contents of the report.

## **9. METHOD OF ALLOCATING SCHOOLS' GROUNDS MAINTENANCE FINANCE**

A report was submitted by the Senior Educational Resources Service Manager noting that the finance for grounds maintenance was currently allocated to schools on a historic basis. It was added that during the round of offering service level agreements last year, that it

was necessary to remodel the allocation. Following this, it was added, that work to identify the needs of each site had been undertaken and sent to the schools. It was stated that it was possible for the analysis to note core and optional work.

In remodelling it was stated that the funding allocated would be in accord with the required core work. It was added that this scheme was a change to how funding would be allocated and not a change in the way it was funded. It was stressed that it was necessary to look at how to introduce the change if there were significant changes to the allocations of individual schools, especially in such an uncertain time.

It was noted that the Forum did not disagree in principle, however, schools needed to be forewarned if they were to receive less money. It was noted that it would be necessary to revisit the cost of the central Grounds Maintenance Service Level Agreement when presenting the new allocation method.

**RESOLVED:** To accept the report.

## **10. SCHOOLS' NETWORK SERVICE**

The Head of Finance Department presented the report and noted that Information Technology was developing rapidly. It was added that the provision in terms of the network and computer links had improved to a strong standard in all the County's schools. It was stated that as a result of network procurement and technological developments that the service cost would reduce, and consequently the total schools allocations would be reduced accordingly.

It was noted that there would be a period of consultation with schools about reviewing the allocation basis. The consultation would include a proposal to move closer to distribution on the grounds of pupil numbers.

**RESOLVED:** To accept the report.

## **11. SERVICE LEVEL AGREEMENTS**

The report was submitted and it was noted that two matters had an impact on service level agreements namely the Support Unit for Education Support and Wages, Personnel and Legal Services. It was noted that the work of the Educational Support Unit continued to develop and a request was made for the agreement to run for another year.

As there was an overlap between the work of the Education Support Unit and what was included in the Wages, Personnel and Legal Service Level Agreement, a request was also made for this agreement to run for another year.

**RESOLVED:** That the agreements with the Education Support Unit and Wages, Personnel and Legal run for another year.

## **12. DATE OF NEXT MEETING**

Date to be arranged in February / March.

**CHAIR**

MEETING	SCHOOLS' BUDGET FORWM
DATE	4 March 2019
TITLE	Cyngor Gwynedd Budget 2019/20 - Schools
PURPOSE	Up-date for information
ARGYMHELLIAD	Accept the Report
AUTHOR	Dafydd L Edwards – Head of Finance
CABINET MEMBER FOR FINANCE	Councillor Peredur Jenkins

## **DEALING WITH THE SCHOOLS' BUDGET IN 2019/20**

1. Whilst developing a savings strategy and draft budget for 2019/20, a way ahead was agreed in order to avoid transferring a further savings target for Gwynedd schools again this year.
2. The schools' budget will increase this year due to the usual "demography" adjustments, which derive from changes in the number of pupils. The actual number of pupils in September 2018 is used to calculate 2019/20 allocations. The position varies from school to school, but on the whole the effect of an increase in pupil numbers means that the schools' budget in its entirety will increase £418k, which includes a reduction -£260k primary, an increase +£617k secondary, and +£61k for special schools. Against this years' £617k increase, the secondary sector achieves a saving of £299k in 2019/20, following a decision to defer for two years from 2017/18, when the secondary demography was negative.
3. It can be seen in the 'bids' part of this report (Appendix 2) that there is a recommendation to agree to fund bids worth £593k for the Education Department, towards the transport (£400k) and integration (£193k) budgets, which means that the cost of 'Education' increases substantially between 2018/19 and 2019/20. However, there is a reduction of £247k in schools allocations in accordance with the Additional Learning Needs and Inclusion Strategic Review. Certainly, having taken inflation of over £4m into consideration, the schools' budget will be much higher in 2019/20 than the 2018/19 level.
4. Also, there are a number of Welsh Government specific grants in the Education field. Whilst it appears that there will not be a "cash" reduction for these grants this year, it seems that the Government doesn't add inflation to their grants. Therefore, with costs (teachers' salary and pension inflation) increasing 5%, schools will perceive the position of some of the Government's grants as a cut in "real" terms. However, our schools will receive a new grant from the Government towards teachers' training.
5. The Westminster Government have increased the Teachers' Pension Scheme employers' contribution rate from 16.5% to 23.6% from September 2019. This will cost £1.6m for the 7 months in 2019/20, and the full year effect by 2020/21 will be £2.8m. It is 7% of the teachers' pay bill, but a 40% increase in employers' pension contributions.

While drafting this budget, it was assumed that the Welsh Government will fund the 2019/20 teachers' pension increase through a specific grant. In January 2019, the Department for Education have consulted with the education sector mentioning "fully funding" the cost (£910m) for schools in England. A consequential allocation to the Welsh Government is anticipated, and in turn that would be passed on to local authorities, and then on to schools.

If there is no specific grant funding, or if the grant is far from being sufficient, at that time the Council will revisit this and discuss with schools how to deal with the one-off pressure in 2019/20.

full budget report to Cabinet 19/02/2019 –

<https://democracy.cyngor.gwynedd.gov.uk/mcAi.aspx?ID=13592>