
SCHOOLS' BUDGET FORUM

17.02.2025

Present:

Cabinet Members: Councillors Huw Wyn Jones (Finance) and Dewi Jones (Education)

School Headteachers:

Secondary: Aled Williams (Ysgol Ardudwy)

Primary: Richard Derwyn Jones (Ysgol Chwilog) (Chair)
Alan Wynn Jones (Ysgol Cymerau)
Eleri Morgan Davies (Ysgol y Gorlan)
Kyle Jones (Ysgol yr Hendre)

Governors: Councillor Ioan Thomas (Ysgol y Gelli and Ysgol Syr Hugh Owen)
Carys Meleri Fowles (Ysgol Penybryn and Ysgol Tywyn)
Councillor Gwynfor Owen (Ysgol Hafod Lon)

Church Schools:

Special Schools:

Diocese:

Teachers' Unions:

Observers: Gwern ap Rhisiart (Head of Education Department)
Debbie Anne Williams Jones (Assistant Head: Corporate Services)
Kathy Bell (Schools Group Accountant)

Officers: Dewi Aeron Morgan (Head of Finance) and Rhodri Jones (Democracy Services Officer)

1. APOLOGIES

Apologies were received from:

- Dafydd Gibbard (Chief Executive)
- Councillor Gwilym Jones (Dwyfor Governor: Ysgol Borth-y-gest)
- David Healey (Ysgol Friars)
- Nia Puw (Ysgol Gynradd Llanrug)
- Jano Owen (Ysgol Bro Idris)
- Gwion Owens (Cefn Coch and Talsarnau Federation)

2. DECLARATION OF PERSONAL INTEREST

No declarations of personal interest were received.

3. URGENT ITEMS

None to note.

4. MINUTES

The Chair signed the minutes of the previous meeting of the Forum held on 2 December 2024 as a true record.

5. MATTERS ARISING FROM THE MINUTES

None to note.

6. EDUCATION QUALITY SERVICE

The report was presented by the Head of the Education Department.

It was explained that the report was submitted at the request of Members in order to share information on how the department allocated a budget to support standards in Gwynedd's schools.

It was confirmed that a budget of approximately £669,000 had been set for the Department's management matters for the 2025/26 financial year. It was detailed that this budget funded the salaries of a number of Department officers as well as providing support for the management of services such as catering, cleaning and modernisation.

Attention was drawn to three specific grants, noting that there had been recent uncertainty regarding how much money from these grants would reach the Department from the Government. It was emphasised that they were important grants as they were used to support restructuring, the Schools Improvement Service and the new national model to support schools. Details of these grants were provided, and it was confirmed that the Department had received approximately £200,000 from the Standards Grant. It was explained that this funding had been allocated to GwE to support the Schools Improvement Service. It was elaborated that £110,000 had been received through the Professional Learning grant, which was a lower figure than the funding received for 2024/25. It was noted that this grant had been allocated to GwE in the past, but it was confirmed that the Department would retain it for 2025/26. Similarly, attention was drawn to a grant of approximately £345,000 received for Curriculum support, and it was confirmed that this funding included approximately £98,000 to support literacy and numeracy, which was a new budget for 2025/26.

It was reported that there was a budget of £1,990,706 to fund support services for standards for the 2025/26 financial year.

It was explained that the GwE Schools Improvement Service was coming to an end and it was confirmed that the Department was proposing to hold a consultation on a new structure to support schools that would include the role of an Assistant Head of School Support, and School Support Officers who would undertake the role of general education officers as well as improvement advisory support work. It was emphasised that observations had been received from staff members that could change this model, such as ensuring that subject specialities were considered.

Matters arising from the discussion:

A question was asked regarding whether regional collaboration would happen within the new structure. In response, the Head of the Education Department confirmed that there was no plan to establish a service in conjunction with Anglesey County Council. However, it was confirmed that there was a collaboration agreement to ensure that resources and expertise were shared so that the best service was being offered to all schools. It was elaborated that the Department was in discussions with Conwy County Borough Council and Ceredigion County Council to develop a similar agreement although the governance models varied from county to county.

7. 2025/26 BUDGET

The report was presented by the Head of Finance.

It was explained that the budget for 2025/26 had been submitted in draft form to Elected Members in a series of informal seminars. It was also noted that the draft budget had been scrutinised by the Governance and Audit Committee on 6 February and had been considered by the Cabinet on 11 February. It was added that a formal decision would be made on the budget after the Full Council considered the matter at its meeting on 6 March.

It was confirmed that the Council had received a Government grant increase of 3.1% for 2025/26. It was noted that this was higher than the proportion anticipated to be received by the Council, although this increase did not match the increase in inflation rates over recent years. It was emphasised that the Council was lobbying the Government to set minimum grant levels annually for all local authorities.

The cost of maintaining the Council's services was projected to be £24.2million higher in 2025/26 compared to the current financial year, including expenditure of £7.7million to counter pressure on service budgets above inflation, resulting from overspending due to a lack of budget to meet real demand for services.

It was reported that pressures on services and inflation had led to a recommendation of an 8.66% increase in Council Tax, as well as the introduction of a programme of savings and cuts in order to set a balanced budget for 2025/26. It was acknowledged that the Council was aware that this was a significant increase which would affect Gwynedd's households.

It was emphasised that Cyngor Gwynedd's Cabinet had approved savings of £5.2million for the 2024/25 budget, of which £2,860,300 was profiled for 2025/26. It was further explained that new savings would be introduced within the Council. Members were guided through a summary of these savings for all Council departments. Attention was drawn to savings of £151,960 within the Education Department, emphasising that there was no cuts or savings plan for the School Service within the 2025/26 financial year. However, a reminder was given that demographics would negatively impact school budgets over the coming year.

Various elements of the schools' budget were detailed, noting:

- It has been confirmed that there would be a normal increase in the Gwynedd schools' quantum in 2025/26, as the Council's policies noted the need to fund inflation, pay increases and demography, unlike some other local authorities. However, it was clarified that demographics were a negative element in the 2025/26 budget due to a reduction in pupil numbers.
- It was explained that school budgets would increase by £3.1 million in 2025/26 to meet increases in inflation as well as inflationary increases in teacher salaries and pensions. It was noted that there would be an increase in the salary levels of teachers and support staff which would be confirmed within the financial year.
- It was explained that there had been a 5% increase in employer contributions on teachers' pensions since April 2024.
- It was reported that there would be a £1.9million increase in the cost of employer national insurance in 2025/26. It was explained that this was a result of the UK Government's announcement to increase the employer rate from 13.8% to 15.0%. It was noted that the National Insurance threshold had been reduced from £9,100 to £5,000, placing additional pressure on the Council due to the need to pay employer national insurance for all individuals who received a salary of £5,000 or more annually. It was noted that the Government had indicated that they would fund this increase in employer national insurance rates within the public sector, noting that further confirmation would reach the Council in a few months.

- It had been projected that school budgets as a whole would be reduced by £643,000 as a result of demographics. This was detailed as a reduction of £415,000 for the Primary sector and a reduction of £228,000 for the Secondary sector. It was emphasised that secondary school budgets would vary to reflect pupil numbers.
- It was noted that there were no grounds to think that the Welsh Government's specific grant allocations in the area of education would be adjusted from those allocated in 2024/25.

It was concluded that the school budget would be higher in 2025/26 compared to the current financial year.

Matters arising from the discussion:

It was pointed out that around 400 children were home-schooled in Gwynedd and Anglesey and it was asked whether money is being provided to support their education. In response, the Head of the Education Department confirmed that a specific grant was received by both Counties and then allocated for the provision of this support. It was explained that the support had been structured across Gwynedd and Anglesey, noting that at least one teacher was employed to visit the families to ensure they understood the commitment as they considered the decision to educate their children at home. It was confirmed that there was no legal requirement to conduct further visits with the families following this initial meeting. It was pointed out that parents who declared an interest in home-educating their children may have to register to do so if the new Government arrangements were approved, with the possibility that this could result in some families deciding to educate their children through the schools. It was added that maintaining any register of families with pupils being home-educated resulted in a financial cost to the Council to ensure that it was up to date.

A question was asked why school pupil numbers in September were used when considering demographics. It was felt this could have a negative impact on individual school budgets. It was noted that January's PLASC would provide a different picture of true school numbers, leading to a fairer budget. It was further explained that the Welsh Government had adapted school funding formulas and recommended that within those adjustments 'PLASC statistics' strategies should be used for school funding. In response to the comments, the Schools Group Accountant confirmed that the authority used pupil numbers for a number of different factors over any given financial year and that the information was therefore balanced for the following financial year. It was considered that using January's pupil numbers would be too late to plan for the budget. The Head of the Education Department further noted that pupil numbers were currently falling in all sectors and that adjusting the date on which school numbers were collected would not change that. However, officers would consider this change, in the hope that pupil numbers in education would increase again in future years.

8. GRANTS

The verbal report was submitted by the Schools Group Accountant.

It was explained that the Welsh Government has announced additional grants for 2024/25 at the end of the Christmas term.

The Council was pleased to have received an increase to five of the grants, namely: Teachers' Pension Grant, Standards Grant, ALN Co-ordinator Support Grant and ALN Provision Grant. The total increase was reported to be around £3.7million. It was explained that this funding would increase school balances as they had not had the opportunity to plan the spending.

Members were reminded that approximately £200,000 of the Integration Allocation had been set aside at the start of the financial year to ensure that funding was available if out-of-county children moved to be educated in Gwynedd. It was positive that the majority of integration panels had now been held and around £120,000 of this funding remained, which would be shared back to the schools.

It was confirmed that the pay rise for teachers and support staff was higher than had been anticipated by the Department at the beginning of the financial year. It was emphasised that approximately £713,000 of grant funding was available to compensate schools for this increase in teachers' salaries, and an additional £324,000 to compensate for support staff salaries, in an effort to ensure that schools did not overspend on these factors within their individual budgets.

It was also noted that an adjustment was being made following a reduction in inflation in relation to schools' gas costs. It was explained that more money had been allocated than needed as the projected prices at the beginning of the financial year were higher than the actual cost.

Further information was provided on the relevant grants for 2025/26. It was reported that four new grants were being introduced to schools from 2025/26 forward following a review by the Government, including: - School Standards, Equity, Reform and Cymraeg 2050 grants. It was confirmed that there was an increase of around 9.4% in total grants between 2024/25 and 2025/26 which was slightly higher than current inflation rates. It was clarified that the Equity grant did not include a Pupil Development Grant at this point. It was explained that the School Standards grant was an increase of £245,292 from the funding provided in 2024/25 which would go directly to the schools. It was reported that the Equity grant was allocated to the Department and set restrictions on how the money could be spent in order to comply with the terms of the grant.

Details were provided on the Reform grant, which provided the 'ALN Provision' grant funding. It was detailed that the total grant allocation was less than had been received in 2024/25 albeit a slight reduction.

Attention was drawn to the main Pupil Development Grant totalling £2,827,850 during the 2024/25 financial year. It was noted that no details had been shared in relation to these grants for 2025/26 onwards and that the Council was awaiting further guidance on the total of these grants in the near future.

The Welsh Government was thanked for sharing information about the grants earlier than usual, enabling the Department and schools to plan the use of the funding appropriately for the 2025/26 financial year.

9. ANY OTHER BUSINESS

None to note.

10. DATE OF THE NEXT MEETING

It was confirmed that the next meeting would be held in June or July, with the date to be confirmed soon.

The meeting commenced at 3.45pm and concluded at 4.30pm.